

# **AUDIT AND GOVERNANCE COMMITTEE**

## **AGENDA**



**Thursday 9 January 2020**

**at 10.00 am**

**in Committee Room B  
Civic Centre, Hartlepool**

**MEMBERS: AUDIT AND GOVERNANCE COMMITTEE**

Councillors Black, Hall, Hamilton, Harrison, James, Loynes and Ward.

Standards Co-opted Independent Member: Ms Clare Wilson.

Standards Co-opted Parish Council Representatives: Parish Councillor John Littlefair (Hart) and Parish Councillor Alan O'Brien (Greatham).

Local Police Representative: Superintendent Alison Jackson.

**1. APOLOGIES FOR ABSENCE**

**2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**

**3. MINUTES**

3.1 To confirm the minutes of the meeting held on 5 December 2019.

**4. AUDIT ITEMS**

4.1 Treasury Management Strategy – *Director of Finance and Policy*

**5. STANDARDS ITEMS**

5.1 Regulation of Investigatory Powers Act 2000 (RIPA) – Annual and Quarter 1 Update – *Chief Solicitor*



## 6. STATUTORY SCRUTINY ITEMS

### Crime and Disorder

- 6.1 Scrutiny Investigation into Anti-Social Behaviour in Hartlepool: Community Engagement and Consultation Update:
- (a) Presentation - Feedback from the Young People's Survey – *Youth Council*
  - (b) Evidence from Police and Crime Commissioner on Restorative Justice and Diversionary Activities – *Police and Crime Commissioner*
  - (c) Presentation - Evidence from North East Ambulance Service (NEAS) – *Deputy Director of Operations, NEAS*
  - (d) Evidence from Council Champions (*Verbal Report*)
  - (e) Feedback from the Town wide Survey – *Statutory Scrutiny Manager (to follow)*
  - (f) Feedback from Community Engagement – *Statutory Scrutiny Manager*

### Health

- 6.2 Presentation - Independent Complaints Advocacy Service – Update – *Contracts Manager, North East NHS Independent Complaints Advocacy (ICA)*

## 7. MINUTES FROM THE RECENT MEETING OF THE HEALTH AND WELLBEING BOARD

- 7.1 To receive the minutes of the meeting held on 23 September 2019.

## 8. MINUTES FROM THE RECENT MEETING OF THE FINANCE AND POLICY COMMITTEE RELATING TO PUBLIC HEALTH

No items.

## 9. MINUTES FROM RECENT MEETING OF TEES VALLEY HEALTH SCRUTINY JOINT COMMITTEE

No items.

## 10. MINUTES FROM RECENT MEETING OF SAFER HARTLEPOOL PARTNERSHIP

No items.

## 11. REGIONAL HEALTH SCRUTINY UPDATE

No items.



**12. DURHAM, DARLINGTON AND TEESSIDE, HAMBLETON, RICHMONDSHIRE AND WHITBY STP JOINT HEALTH SCRUTINY COMMITTEE UPDATE**

No items.

**13. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS URGENT**

For information: -

Date and time of forthcoming meetings –

Thursday 6 February, 2020 at 10.00 am

Thursday 12 March, 2020 at 10.00 am



# **AUDIT AND GOVERNANCE COMMITTEE**

## **MINUTES AND DECISION RECORD**

### **5 DECEMBER 2019**

The meeting commenced at 10.00 am in the Civic Centre, Hartlepool.

**Present:**

Councillor: Ged Hall (In the Chair).

Councillors: Lesley Hamilton, Marjorie James and Brenda Loynes.

**Standards Co-opted Members:**

Ms Clare Wilson – Independent Member  
Parish Councillor John Littlefair (Hart)

Gavin Barker and Catherine Andrews, MAZARS

Caroline Robinson and Sarah Lattaway, Joseph Rowntree Foundation

Officers: Sally Robinson, Director of Children's and Joint Commissioning Services  
Tony Hanson, Assistant Director, Environment and Neighbourhood Services  
John Morton, Assistant Director, Finance and Customer Services  
Noel Adamson, Head of Audit and Governance  
Sylvia Pinkney, Head of Public Protection  
Rachel Parker, Community Safety Team Leader  
Angela Armstrong, Scrutiny and Legal Support Officer  
David Cosgrove, Democratic Services Team

## **86. Apologies for Absence**

Apologies for absence were received from –  
Councillors James Black and Brenda Harrison;  
Parish Councillors Alan O'Brien (Greatham)

## **87. Declarations of Interest**

None.

## **88. Minutes of the meeting held on 24 October 2019**

Confirmed.

**89. Minutes of the meeting held on 7 November 2019**

Confirmed.

**90. Mazars Report- Audit Progress Report** *(Assistant Director, Finance and Customer Services)*

The representative from Mazars presented their update report on the progress of the 2018/19 and 2019/20 audits. In relation to the 2018/19 audit all work was now completed and it had been agreed with Council officers that no additional fees had been incurred. The Teachers' Pension Return and Housing Benefit Subsidy claim had been submitted on time.

The Mazars' representative referred to the National Publications section of the report and highlighted that around 40% of local authorities had not submitted their final accounts by the target date of 31 July 2019. This reflected the extremely tight deadlines that now applied and the shortages of appropriately skilled and experienced auditors.

There were also new Code of Audit Practice for 2020/21 which was currently out for consultation. This code would make changes around the Value for Money conclusion and auditors would now be required to provide a more detailed commentary on the local authority's value for money arrangements.

The Mazars representatives restated their thanks to Council officers for their support during the audit process.

The Chair thanked the Mazars representative for their comments. The Chair asked if the auditors had any specific comments in relation to the Council's use of reserves to balance the budget over recent years and the levels of reserves that the Council now had. The Mazars representative stated that the Council does face a very difficult financial position. Next year's budget would be critical as it will need to retain adequate reserve levels. The Council was not in a 'danger zone' but was heading towards it if strong decisions were not made by Members. From the audit process, it was clear to Mazars that Council officers and Members were aware of the situation.

**Recommended**

That the Audit Progress Report and the Mazars' representative's comments be noted.

## **91. Internal Audit Plan 2019/20 Update** (*Head of Audit and Governance*)

The Head of Audit and Governance reported on the progress made to date in completing the internal audit plan for 2019/20. The report included details of one school audit, St Hild's Secondary School, that had been completed and the recommendations agreed as a result of the audit.

Details of the internal audits completed and the recommendations agreed as part of the audit were set out in the report and appendices. Only one audit – Officer Expenses – had been given a 'limited' assurance level. This was due to some minor errors that had been identified in relation to mileage claims and also the process for undertaking driver checks, covering insurance and licenses. Action had already been taken to mitigate the risks identified and the Head of Audit and Governance indicated that of the £400,000 of mileage payments made by the Council, there was only a discrepancy of about £250.

### **Recommended**

That the report be noted.

## **92. Business Continuity** (*Assistant Director, Environment and Neighbourhoods Services*)

The Assistant Director, Environment and Neighbourhood Services updated the Committee on the progress of the Council's Business Continuity arrangements following the audit report submitted to the Committee in July 2018 giving the area a 'limited assurance'.

The Assistant Director stated that a considerable amount of work had now been undertaken on preparing updated business continuity plans with revised arrangements being rolled out across all departments. It was proposed that testing of the new continuity plans would be undertaken in the New Year to ensure they were robust and fit for purpose.

A Member was assured that the Council now had robust plans in place but was concerned at the impact of a major incident on some of the partner organisations the Council worked closely with and if their external systems were equally robust. The Assistant Director stated that arrangements were robust and many continuity plans did involve partner organisations to ensure service delivery continued. Some plans would involve Council staff 'decanting' to a partner organisation to ensure services continued and reciprocal arrangements also applied.

A Member expressed some concern linked to the previous report when the Council's reserves had been discussed. Did the Council hold sufficient reserves to ensure continuity in the case of a major incident. The Assistant Director stated that not all services would need to be up and running

immediately after a major incident. The services that were critical would decant to a local partners office to ensure they would continue immediately.

The Chair requested that a further update be submitted to Committee once the testing of the continuity plans had been undertaken and assessed.

### **Recommended**

That the report be noted and that a further update be provided upon conclusion and assessment of the testing of plans to be undertaken in early 2020.

## **93. Youth Justice Strategic Plan** (*Director of Children's and Joint Commissioning Services*)

The Director of Children's and Joint Commissioning Services submitted the draft Youth Justice Strategic Plan for 2019-2021 for the Committee's consideration. It was proposed that following consultation with this committee, Children's Services Committee and the Safer Hartlepool Partnership the final plan would be submitted to Council in February 2020.

The Chair noted that the plan would receive consideration at a number of bodies on its route to final approval. The Chair questioned the numbers of young people reoffending. The Director stated that reoffending had been a priority for some time and would continue to be so. The numbers of young people offending for the first time had been reducing for some time. There were around thirty young people receiving intervention under a court order. The reoffending rate was still quite high at 53% but the statistics were based on national guidance that used a cohort of young offenders identified in 2017 and tracked their progress. With such small numbers overall in Hartlepool, the statistic could look very negative though Members should note that while the reoffending rate was high it did not reflect a high number of multiple offences. Hartlepool had a higher number of young people reoffending but they were committing fewer crimes.

A Member expressed concern with the numbers of young people being attracted into criminality through drugs and how they were effectively 'groomed' into drug use and then crime. The privatisation of the probation service had failed and the Member questioned how such young people could be supported to break away from these drugs gangs. The Director indicated that if young people were being groomed into any kind of illegality that was criminal exploitation which was a safeguarding matter rather than a youth justice matter. Fortunately, Hartlepool didn't have a significant gang issue and there was a Tees Valley strategic group dealing with this issue. Through the Youth Justice system, young people were tracked through monthly multi-agency groups with the aim of protecting them from further exploitation. Some had even been moved out of the area to safeguard them.

The Director also indicated that the drug and alcohol service was being recommissioned and the new contract would look to much improved services for children and young people who were currently not being served very well. In response to Member questions, the Director stated that youth services had been cut by as much as 75% but there were still services available to support vulnerable children and young people.

Issues around the Prevent agenda were raised and discussed by the Committee with the Director stating that a written response would be provided to Members on the interventions in Hartlepool. The Assistant Director, Environment and Neighbourhood Services added that there were operational groups in Hartlepool and across the Tees Valley responding to the Prevent agenda and there was a review underway on how this was to be delivered in schools.

A Member questioned the use of parenting interventions through Parenting Orders and if they were still used. The Director stated that Parenting Orders still remained an option but they were not used locally very often. The Council had a broader range of parenting interventions available which aimed to help parents parent rather than sanction them.

### **Recommended**

That the draft Youth Justice Strategic Plan for 2019-2021 and the discussions be noted.

- 94. Safer Hartlepool Partnership Performance - Quarter 1 (April-June 2019)** *(Director of Regeneration and Neighbourhoods)*
- 95. Safer Hartlepool Partnership Performance - Quarter 2 (July-October 2019)** *(Director of Regeneration and Neighbourhoods)*

The Community Safety Team Leader presented the two quarterly updates together to give the Committee a six-month overview of the statistics. The Community Safety Team Leader highlighted the key statistics in the reports around crime and anti-social behaviour.

The Chair raised concerns at the doubling of reports around stalking and harassment. The Community Safety Team Leader stated that much of this was due to increased awareness among the public and victims of this behaviour were now much more likely to report it than before. Often many of these offences were linked to social media use and there was an increasing number of online offences being committed.

A Member referred to the use of AS13 forms by Community Police Support Officers and whether they had positive results. The Community Safety Team Leader indicated that there was an increase in use of the forms as PCSO's have recently returned to having responsibility for their own wards



in the town. The Community Safety Team did monitor any repeat activity. The Community Safety Team Leader referred to the team's work around Rossmere Park where a high number of anti-social behaviour incidents had been reported. When Community Safety Officers and PCSOs undertook an operation to deal with a large group of young people in Rossmere Park causing anti-social behaviour problems, only five had been previously known to any statutory services. The team had subsequently spoken to the parents of 38 young people about the actions of their children and to date none of these young people had come back to the team's attention.

### **Recommended**

That the two reports be noted.

## **96. Scrutiny Investigation into Anti-Social Behaviour in Hartlepool: Community Engagement and Consultation Update** *(Statutory Scrutiny Manager)*

The Scrutiny and Legal Support Officer presented a brief update on the ongoing consultation and engagement as part of the Committee's investigation. More details would be reported to the Committee after the general election purdah period. So far 370 responses had been submitted to the online and paper based survey. The deadline date for responses had been extended to encompass a survey of young people that the representatives of the Youth Parliament had offered to undertake. In addition to the above, there had been a number of drop-in sessions, workshops and 1:1 discussions that had been well attended and there were further other events programmed as set out in the report.

A Member referred to the number of incidents of fireworks being let off late in the evening around Bonfire Night and the fact that the sale of fireworks meant that they were being set off by people from early October through to the end of November. The Assistant Director, Environment and Neighbourhood Services confirmed there were restrictions on the use of fireworks after 11 o'clock in the evening.

The Chair congratulated officers on the responses already received to the survey, which was very encouraging. Members were requested to let the Scrutiny Team know if they were available to participate in any of the future events.

The Scrutiny and Legal Support Officer indicated that the Scrutiny Team would be looking to arrange an informal meeting with elected Members in the early New Year to discuss the final report of the investigation and the thoughts around recommendations.

**Recommended**

That the report be noted.

**97. Appointment to Committees / Forums** (*Statutory Scrutiny Manager*)

The Scrutiny Support and Legal Support Officer reported that there still remained a vacancy on the Durham Darlington and Teesside, Hambleton, Richmondshire and Whitby STP Joint Health Scrutiny Committee where three places were available to the Committee; Councillors Hall and Loynes having previously being appointed. Nominations were sought for the remaining position.

**Recommended**

That any elected Member of the Committee interested in filling the remaining position on the STP Joint Health Scrutiny Committee should contact the Scrutiny Team.

**98. Minutes of the meeting of the Safer Hartlepool Partnership held on 11th October 2019**

Received.

**99. Any Other Items which the Chairman Considers are Urgent**

None.

The Committee noted that the next meeting would be held on Thursday 9 January, 2020 at 10.00 am in the Civic Centre, Hartlepool.

As this was the final meeting of 2019 the Chair extended seasons greeting and good wishes to all Members and officers that had attended the meetings of the Committee during the year.

The meeting concluded at 11.15 am.

CHAIR

# AUDIT AND GOVERNANCE COMMITTEE

9<sup>th</sup> January 2019



**Report of:** Director of Finance and Policy

**Subject:** TREASURY MANAGEMENT STRATEGY

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## 1. PURPOSE OF REPORT

1.1 The purposes of the report are to:

- i. Provide a review of Treasury Management activity for 2018/19 including the 2018/19 outturn Prudential Indicators;
- ii. Provide a mid-year update of the 2019/20 Treasury Management activity; and
- iii. Enable the Audit and Governance Committee to scrutinise the recommended 2020/21 Treasury Management Strategy before it is referred to the full Council for approval.

## 2. BACKGROUND

2.1 The Treasury Management Strategy covers:

- the borrowing strategy relating to the Council's core borrowing requirement in relation to its historic capital expenditure (including Prudential Borrowing);
- the borrowing strategy for the use of Prudential Borrowing for capital investment approved as part of the Medium Term Financial Strategy; and
- the annual investment strategy relating to the Council's cash flow.

2.2 The Treasury Management Strategy needs to ensure that the loan repayment costs of historic capital expenditure do not exceed the available General Fund revenue budget, which was reduced as part of the Medium Term Financial Strategy in previous years. Similarly, for specific business cases the Treasury Management Strategy needs to ensure loan repayment costs do not exceed the costs built into the business cases. As detailed later in the report these issues are being managed successfully.

2.3 The Local Government Act 2003 requires the Council to 'have regard to' the CIPFA (Chartered Institute of Public Finance and Accountancy) Prudential

Code and to set prudential indicators for the next three years to ensure capital investment plans are affordable, prudent and sustainable.

- 2.4 The Act requires the Council to set out a Treasury Management Strategy for borrowing and to prepare an Annual Investment Strategy, which sets out the policies for managing investments and for giving priority to the security and liquidity of those investments. The Secretary of State has issued Guidance on Local Government Investments which came into force on 1<sup>st</sup> April, 2004, and has subsequently been updated, most recently in 2017.
- 2.5 The Council is required to nominate a body to be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies, before making recommendations to full Council. This responsibility has been allocated to the Audit and Governance Committee.
- 2.6 This report covers the following areas:
  - Economic background and outlook for interest rates
  - Treasury management outturn position for 2018/19
  - Treasury Management Strategy 2019/20 mid-year review
  - Treasury Management Strategy 2020/21
  - Minimum Revenue Provision and Interest Cost and Other Regulatory Information 2020/21

### **3. ECONOMIC ENVIRONMENT AND OUTLOOK FOR INTEREST RATES**

- 3.1 **UK** – The UK economy has faced an extended period of economic and political uncertainty. The Bank of England has recently expressed increased concerns surrounding weak global economic growth and the risk of ongoing uncertainties becoming entrenched and resulting in delayed global and UK economic recovery. Although the Bank of England recently voted to maintain interest rates at 0.75% the Monetary Policy Committee (MPC) warned that if global and UK growth does not pick up then an interest rate cut will become more likely. Conversely if there is a more rapid recovery of growth and risks recede then there will be a gradual and limited rise in interest rates. Should economic growth weaken considerably the MPC would have relatively little room to make an impact owing to the low Bank Interest Rate. Commentators suggest that this would put pressure on government to give the economy a fiscal boost through tax cuts and increases in annual expenditure budgets of government departments.
- 3.2 Inflation has been around the Bank of England target of 2% for much of 2019 but fell to 1.5% in October and forecasts indicate that it will remain around the 2% target over the next two years. However, there are potential risks of imported inflation if the value of pound reduces.
- 3.3 Unemployment is now at a 44 year low of 3.8% based on the Independent Labour Organisation measure. Wage inflation has been positive and real terms earnings grew by more than inflation. As the UK economy is service

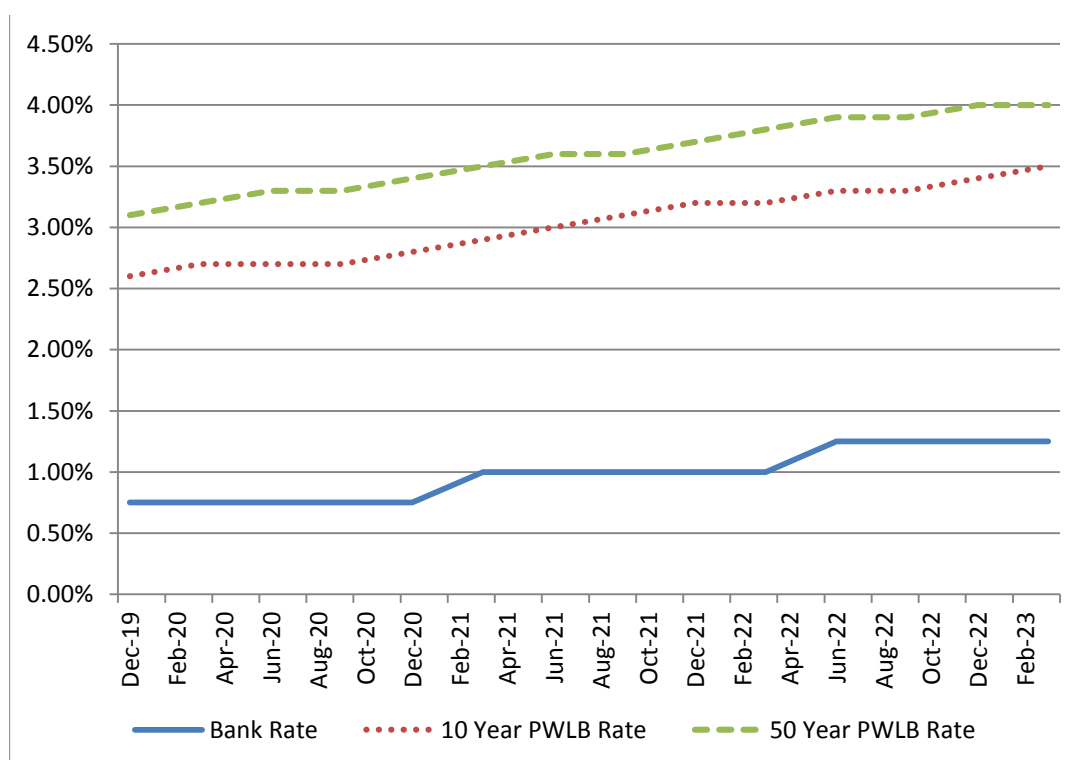
driven an increase in household spending power is likely to feed through to providing support to the economy.

- 3.4 The Office for Budget Responsibility's revised growth forecast up to 2022 are set out in the following table:

Year	March 2019 Growth Forecast	November 2019 Growth Forecast
2019	1.0%	0.75%
2020	1.2%	0.75%
2021	1.75%	1.0%
2022	2.0%	1.25%

- 3.5 **European Union (EU)** – Growth has been slowing from +1.8% during 2018 to around 0.9% in 2019, reflecting lower global demand and more recently the impact of US tariffs on manufacturing exports such as cars.
- 3.6 **USA** – The easing of the fiscal policy in 2018 fueled a temporary boost in consumption. However, growth has been falling in 2019 to 1.9% in quarter 3 and is expected to fall further. Following an increase in its interest rate to 2.5% the Federal Reserve has since cut rates by 0.75% to ward off a downturn in growth.
- 3.7 **Other Economies** – In China economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus and medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property. Japan is still struggling to stimulate economic growth and keep inflation within its 2% target.
- 3.8 **Interest Rate Forecasts**
- 3.9 Link Asset Services (the Council's Treasury Management advisors) continue to update their internal rate forecasts to reflect statements made by the Governor of the Bank of England and changes in the economy. Their latest forecast have been based on an assumption that there is an agreed deal with the EU, including agreement on the terms of trade between the UK and EU, at some point in time. Given the current level of political and economic uncertainty forecasts may need to be reassessed in the light of events over the coming weeks or months.
- 3.10 The Monetary Policy Committee (MPC) has left Bank Rate unchanged at 0.75% so far in 2019 due to the ongoing uncertainty.
- 3.11 Link Asset Services believe that the overall longer run future trend is for PWLB rates to rise, albeit gently. PWLB rates are subject to ad hoc decisions by H.M Treasury to change the margin over gilt yields charged in PWLB rates: such changes can be up or down.

- 3.12 National borrowing from the PWLB has continued to increase at a rapid rate in recent years due to the historically low rates on offer. However, in October 2019, the Treasury increased the interest rate by one percentage point – meaning the typical rate for a loan is now 2.8% instead of 1.8%.
- 3.13 Economic and interest rate forecasting remains difficult with so many influences weighing on UK gilt yields (i.e. Government borrowing) and PWLB rates. The forecasts made by Link Asset Services, (and MPC decisions) may be liable to further amendment depending on how the political and economic developments transpire over the next year.
- 3.14 Interest Rate Forecast up to March 2023



- 3.15 Since the late 1990s Base Rate averaged 5% until 2009 when the Bank of England reduced it to the historically low 0.5% in response to the financial crisis and increased to 0.75% in August 2018. Over the same period PWLB rates have been significantly higher than they are at present. In August 2018 the Bank of England raised the interest rate for only the second time in a decade. The rates for 10 year loans were on average 5% prior to the financial crisis but subsequently fell to between 3% and 4%. The rates for 50 year loans were also on average 5% although this trend continued throughout the financial crisis. PWLB interest rates fell to historically low levels in early 2015 predominantly as a consequence of falling oil prices. They fell further following the EU referendum to the current levels. In the context of previous interest rates, current rates are at a low historic level.

## 4. TREASURY MANAGEMENT OUTTURN POSITION 2018/19

### 4.1 Capital Expenditure and Financing 2018/19

- 4.2 The Council's approved capital programme is funded from a combination of capital receipts, capital grants, revenue contributions and prudential borrowing.
- 4.3 Part of the Council's treasury management activities is to address the prudential borrowing need, either through borrowing from external bodies, or utilising temporary cash resources within the Council. The wider treasury activity also includes managing the Council's day to day cash flows, previous borrowing activities and the investment of surplus funds. These activities are structured to manage risk foremost, and then to optimise performance.
- 4.4 Actual capital expenditure forms one of the required prudential indicators. As shown at Appendix A, the total amount of capital expenditure for the year was £26.154m, of which £5.532m was funded by Prudential Borrowing.
- 4.5 The Council's underlying need to borrow is called the Capital Financing Requirement (CFR). This figure is the accumulated value of capital expenditure which has yet to be expensed or paid for through revenue or capital resources. Each year the Council is required to apply revenue resources to reduce this outstanding balance (termed Minimum Revenue Provision).
- 4.6 Whilst the Council's CFR sets a limit on underlying need to borrow, the Council can manage the actual borrowing position by either;
- borrowing externally to the level of the CFR; or
  - choosing to use temporary internal cash flow funds instead of borrowing; or
  - a combination of the two.
- 4.7 The Council's CFR for the year was £103.437m as shown at Appendix A comprising:
- £71.714m relating to the core CFR,
  - £21.909m relating to business cases and
  - £9.814m relating to the Housing Revenue Account (HRA).

The actual CFR is lower than the approved estimate of £106.989m owing to rephasing of capital expenditure into 2019/20.

- 4.8 The Council's total long term external borrowing as at 31<sup>st</sup> March, 2018 was £84.3m and increased to £87.4m at 31<sup>st</sup> March 2019. This increase was in line with the approved strategy and reflected the new annuity loans taken out in March 2019, to fund the following schemes:

Scheme	Value £	Rate %
16/17 Seaton Carew P&D Parking Scheme	60,000	2.26
16/17 Community Safety	35,000	1.72
16/17 Burn Road Recycling and Stranton Allotments	426,000	2.54
17/18 EDM Coastal Management	1,100,000	2.54
17/18 Grange & Rift House Depot Substitution	365,000	2.54
17/18 Wheely Bins	74,000	1.89

4.9 The total borrowing remains below the CFR and there continued to be an element of netting down investments and borrowing.

#### 4.10 Prudential Indicators and Compliance Issues 2018/19

4.11 Details of each Prudential Indicator are shown at Appendix A. Some of the prudential indicators provide either an overview or specific limits on treasury activity. The key Prudential Indicators to report at outturn are described below.

4.12 The **Authorised Limit** is the “Affordable Borrowing Limit” required by Section 3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. Appendix A demonstrates that during 2018/19 the Council has maintained gross borrowing within its Authorised Limit.

4.13 **Gross Borrowing and the CFR** - In order to ensure that borrowing levels are prudent, over the medium term the Council’s external borrowing, must only be for a capital purpose. Gross borrowing should not exceed the CFR for 2018/19 plus the expected changes to the CFR over 2019/20 and 2020/21. The Council has complied with this Prudential Indicator.

#### 4.14 The treasury position 31<sup>st</sup> March 2019

4.15 The table below shows the treasury position for the Council as at the 31<sup>st</sup> March, 2019 compared with the previous year:

Treasury position	31st March 2018		31st March 2019	
	Principal	Average Rate	Principal	Average Rate
<b>Fixed Interest Rate Debt</b>				
- Tees Valley Combined Authority	£2.2m	0.00%	-	-
- PWLB	£37.1m	3.08%	£36.4m	3.13%
- Market Loans (Maturities)	£25.0m	3.92%	£31.0m	3.16%
- Market Loans (LOBOs)	£20.0m	4.12%	£20.0m	4.12%
<b>Total Long Term Debt</b>	<b>£84.3m</b>	<b>3.50%</b>	<b>£87.4m</b>	<b>3.43%</b>
<b>Total Investments</b>	<b>£37.1m</b>	<b>0.48%</b>	<b>£36.1m</b>	<b>0.92%</b>
<b>Net borrowing Position</b>	<b>£47.2m</b>		<b>£51.3m</b>	

\* The Tees Valley Combined Authority loan was converted to grant in 2018/19.



- 4.16 At the time the LOBOs were taken out the prevailing PWLB rates were between 4.25% and 4.55%. The LOBOs have therefore allowed the Council to achieve annual interest savings between 0.13% and 0.43% compared to prevailing PWLB loans.
- 4.17 A key performance indicator shown in the above table is the very low average rate of external debt of 3.43% for debt held as at 31<sup>st</sup> March, 2019. This is a historically low rate for long term debt and the resulting interest savings have already been built into the Medium Term Financial Strategy.
- 4.18 The Council's investment policy is governed by Ministry of Housing, Communities and Local Government (MHCLG) guidance, which has been implemented in the annual investment strategy approved by Council.
- 4.19 The Council does not rely solely on credit ratings and takes a more pragmatic and broad based view of the factors that impact on counterparty risk. As part of the approach to maximising investment security the Council has also kept investment periods short (i.e. in most cases between three and six months but a maximum of one year). The downside of this prudent approach is that the Council achieved slightly lower investment returns than would have been possible if investments were placed with organisations with a lesser financial standing and for longer investment periods. However, during 2018/19 the risk associated with these higher returns would not have been prudent.
- 4.20 A prudent approach will continue to be adopted in order to safeguard the Council's resources.
- 4.21 **Regulatory Framework, Risk and Performance 2018/19**
- 4.22 The Council's treasury management activities are regulated by a variety of professional codes, statutes and guidance:
- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
  - The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing which may be undertaken (although no restrictions have been made since this power was introduced);
  - Statutory Instrument (SI) 3146 2003, as amended, develops the controls and powers within the Act, and requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities;
  - The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services;
  - Under the Act the MHCLG has issued Investment Guidance to structure and regulate the Council's investment activities;

- Under section 238(2) of the Local Government and Public Involvement in Health Act 2007 the Secretary of State has taken powers to issue guidance on accounting practices. Guidance on Minimum Revenue Provision was issued under this section on 8<sup>th</sup> November, 2007.

4.23 The Council has complied with all of the above relevant statutory and regulatory requirements which limit the levels of risk associated with its Treasury Management activities

## 5. TREASURY MANAGEMENT STRATEGY 2019/20 MID YEAR REVIEW

5.1 The Treasury Management Strategy for 2019/20 was approved by Council on 21<sup>st</sup> February 2019. The Council's borrowing and investment position as at 30<sup>th</sup> September 2019 is summarised as follows:

	£m	Average Rate
PWLB Loans	35.0	3.17%
Market Loans (Maturities)	25.0	3.92%
Market Loans (LOBOs)	20.0	4.12%
<b>Gross Debt</b>	<b>80.0</b>	<b>3.64%</b>
Investments	25.6	0.75%
<b>Net Debt as at 30-09-19</b>	<b>54.4</b>	

5.2 Net Debt has increased since 31<sup>st</sup> March 2019 owing to a reduction in investments. The average interest rate of borrowing has increased to 3.64% (3.43% at 31<sup>st</sup> March 2019), owing to the maturity of a low interest temporary loan.

5.3 As part of the Treasury Strategy for 2019/20 the Council set a number of prudential indicators. Compliance against these indicators is monitored on a regular basis and there are no breaches to report.

## 6. TREASURY MANAGEMENT STRATEGY 2020/21

6.1 Prudential Indicators and other regulatory information in relation to the 2020/21 Treasury Management Strategy is set out in Appendix B.

6.2 The key elements of the Treasury Management Strategy which Members need to consider are the Borrowing and Investment Strategies, detailed in section 7 and 8.

## 7. BORROWING STRATEGY 2020/21

7.1 Borrowing strategies are needed for the core borrowing requirement and the borrowing requirement related to specific business cases, as outlined in the following paragraphs.

## 7.2 Core Borrowing Requirement

- 7.3 The continuing objective of the Council's Treasury Management Strategy is to fund the core annual borrowing requirement at the lowest possible long term interest rate.
- 7.4 Owing to the continued low Base Rate the Treasury Management Strategy has been to net down investments and borrowings resulting in annual savings reflected in the MTFS. The existing Treasury Management Strategy has always recognised that this approach was not sustainable in the longer term as the one-off resources which have been used to temporarily avoid long term borrowing would be used up. The MTFS for 2019/20 recommended proposals for using significant one-off resources and therefore a large proportion of reserves will be used up over the next three years and will not be available to net down the borrowing requirement. Therefore, in advance of this a decision was taken to partially fund the core borrowing requirement when long term PWLB interest rates fell to unprecedentedly low levels in January 2015.
- 7.5 This decision has secured low long term interest rates, meeting the objective of funding the borrowing requirement at historically low long term interest rates. This action secured the Treasury Management savings built into the budget since 2015/16 of £1.270m, which reduced the recurring budget by 21%.
- 7.6 Total borrowing remains below the CFR and the strategy continues an element of netting down investments and borrowing. This is at a level that is forecast to be sustainable. However owing to the unprecedented financial environment it may be appropriate to take out further borrowing and the position will be kept under constant review. A decision to borrow up to the CFR may be taken by the Director of Finance and Policy if it is in the best interests of the Council to do so. It is recommended that the Director of Finance & Policy is authorised to implement Treasury Management arrangements which minimise the short and long term cost to the Council.
- 7.7 The 2020/21 MTFS proposals approved by Finance and Policy Committee on 9<sup>th</sup> December 2019 and by Council on 19<sup>th</sup> December 2019, included a recommendation to establish a Capital Investment Programme (CIP) pot of £13.395m. The local repayment costs of the CIP pot will be funded from recurring revenue savings, as summarised below:

	Recurring Revenue saving  £'000	Prudential Borrowing support from recurring revenue saving £'m
Ward Member Budget	66	1.535
Other net budget savings (detailed Appendix B)	80	1.860
Employer's Pension contribution reduction	440	10.000
Total	586	13.395

- 7.8 The reports to Finance and Policy Committee, and Council, advised Members that the CIP pot provide a unique opportunity to fund local capital priorities which did not attract external grant funding. This funding will be complement funding secured from Tees Valley Combined Authority (TVCA) and provide an overall CIP pot of £40.895, as follows:

Forecast Capital Investment Pot

	Funding £'m
Prudential Borrowing	13.395
TVCA Capital Funding - £20m allocated, less existing commitments to convert Jacksons Landing loan to grant (£1.6m) and TVCA development funding (£0.650m)	17.750
TVCA – Indigenous Growth Fund (IGF) - £10m allocated, less TVCA IGF development funding (£0.250m)	9.750
Total	40.895

- 7.9 Council approved the CIP pot and detailed proposals for using these capital resources will be submitted to a future meeting of the Finance and Policy Committee. This will enable the detailed priorities to be funded to be agreed and this will include:

- Leisure Facilities – delivery of replacement Mill House, improvement of other existing facilities and demolition of existing Mill House;
- Waterfront – public realm, public art, exhibition space and RML497;

- Cultural assets - Borough Hall, Town Hall, Art Gallery and Headland band stand area;
  - Attracting Investment / Business Park Investment;
  - Shades – will be based on successful Heritage Lottery Fund bid;
  - Wingfield Castle;
  - Neighbourhood Improvement Plan.
- 7.10 The forecast capital resource of £13.395m is based on current interest rates and assets having a 40 year operational life. The actual pot may be lower if interest rates increase before the Council actually borrows this money. In the current economic climate this should be a low risk. However, there is a continuing risk that the Government may increase Public Works Loan Board (PWLb) interest rates as these rates recently increased by 1% without warning. This situation highlights the potential risk of interest rate increases, as a further increase of 1% would reduce the investment pot to £11.4m.
- 7.11 To remove this risk the Council will need to lock into long term loans once the 2020/21 budget proposals have been approved by full Council. In practice this will mean that borrowing is undertaken early in 2020 as it will not be practical to undertake this level of borrowing in the available workings days between Council on 19<sup>th</sup> December and financial markets closing down for the Christmas / New Year period. Additionally, there may be a period of interest rate volatility following the outcome of the General Election, which may impact on the timing of borrowing and the interest rates which can be secured. Once interest rates are fixed for this borrowing the value of the investment pot will be confirmed.
- 7.12 For planning purposes it is appropriate to work on the figure of £13.395m, provided the capital spending is on assets with an operational live of 40 years. If the capital expenditure is on assets with a shorter operational live the capital pot will reduce as the loans will need to be repaid over a shorter live, which increases the annual cost.
- 7.13 **Borrowing Requirement for Business Cases (including the Housing Revenue Account)**
- 7.14 The financial viability of each business case is assessed on an individual basis reflecting the specific risk factors for individual business cases. This includes the repayment period for loans and fixed interest rates for the duration of the loan. This assessment is designed to ensure the business case can be delivered without resulting in a General Fund budget pressures and corresponding increase in the overall budget deficit.
- 7.15 In order to ensure that the above objectives are achieved a strategy of fully funding the borrowing for business cases has been adopted in recent years. As detailed in paragraph 7.6 it is recommended that a strategy of temporarily internally funding business cases maybe appropriate in order to mitigate counterparty risk. The timing of long term borrowing decisions will then be managed carefully to ensure that interest rates are fixed at an affordable

level. This strategy will also enable the Council to manage the phasing of Housing Revenue Account capital expenditure.

#### 7.16 **Borrowing in Advance of Need**

- 7.17 The Council has some flexibility to borrow funds for use in future years, including in relation to the CIP pot. The Director of Finance and Policy may do this under delegated power where, for instance, an increase in interest rates is expected. In these circumstances borrowing early at fixed interest rates may be undertaken where this will secure lower fixed interest rates for specific business cases; including the Western Growth Corridor Scheme or to fund future debt maturities (i.e. if the remaining LOBOs were called). Any borrowing in advance of need will be reported to the Council in the next Treasury Management report.

### 8. **INVESTMENT STRATEGY 2020/21**

- 8.1 The Ministry for Housing, Communities and Local Government (MHCLG) issued investment guidance in 2010, updated in 2017, and this forms the structure of the Council's policy. The key intention of the Guidance is to maintain the current requirement for authorities to invest prudently and that priority is given to security and liquidity before interest return. This Council has adopted the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes and applies its principles to all investment activity. In accordance with the Code, the Director of Finance and Policy has produced Treasury Management Practices covering investment counterparty policy which requires approval each year.
- 8.2 The primary objectives of the Council's investment strategy in order of importance are:
- safeguarding the re-payment of the principal and interest of its investments on time;
  - ensuring adequate liquidity; and
  - investment return.
- 8.3 **Counterparty Selection Criteria**
- 8.4 The Council's criteria for providing a pool of high quality investment counterparties uses the credit rating information produced by the three major ratings agencies (Fitch, Moody's and Standard & Poor's) and is supplied by our treasury consultants. All active counterparties are checked against criteria outlined below to ensure that they comply with the criteria. Any counterparty failing to meet the criteria would be omitted from the counterparty list. Any rating changes, rating watches (notification of a likely change), rating outlooks (notification of a possible longer term change) are provided to officers almost immediately after they occur and this information is considered on a daily basis before investments are made. For instance a negative rating watch applying to a counterparty at the minimum criteria will

be suspended from use, with all others being reviewed in light of market conditions.

- 8.5 The **lowest common denominator** method of selecting counterparties and applying limits is used. This means that the application of the Council's minimum criteria will apply to the lowest available rating for any institution. For instance if an institution is rated by two agencies, one meets the Council's criteria, the other does not, the institution will fall outside the lending criteria
- 8.6 The Director of Finance and Policy will continue to adopt a vigilant approach resulting in what is effectively a 'named' list. This consists of a select number of counterparties that are considered to be the lowest risk.
- 8.7 There are no proposed changes to existing counter parties and the table below shows the proposed limits in 2020/21 for the Council:

Category	Fitch	Moody's	Standard & Poor's	Proposed Counterparty Limit	Proposed Time Limit
A*	F1+/AA-	P-1/Aa3	A-1+/AA-	£15m	1 Year
B	F1/A-	P-1/A3	A-1/A-	£10m	1 Year
C	Debt Management Office/Treasury Bills/Gilts			£40m	1 Year
D	Part Nationalised Banks and Banks covered by UK Government Guarantee			£15m	1 Year
E	Other Local Authorities Individual Limits per Authority: - £8m County, Metropolitan or Unitary Councils - £3m District Councils, Police or Fire Authorities			£40m	1 Year
F	Three Money Market Funds (AAA) with maximum investment of £3m per fund			£9m	Liquid (instant access)

\*including Svenska Handelsbanken

- 8.8 **Specified and Non-Specified Investments**
- 8.9 MHCLG regulations classify investments as either Specified or Non-Specified. Specified Investment is any investment not meeting the Specified definition.
- 8.10 The investment criteria outlined above is different to that used to define Specified and Non-Specified investments. This is because it is intended to create a pool of high quality counterparties for the Council to use rather than defining what its investments are.

- 8.11 Specified Investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within twelve months if it wishes. These are low risk assets where the possibility of loss of principal or investment income is small. These would include investments with:
- The UK Government (such as the Debt Management Office, UK Treasury Bills or a Gilt with less than one year to maturity).
  - Other Councils
  - Pooled investment vehicles (such as Money Market Funds) that have been awarded a high credit rating (AAA) by a credit rating agency.
  - A body that has been awarded a high credit rating by a credit rating agency (such as a bank or building society). This covers bodies with a minimum rating of A- (or the equivalent) as rated by Standard and Poor's, Moody's or Fitch rating agencies. Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies.
- 8.12 Non-specified Investments are any other type of investment (i.e. not defined as Specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non specified investments would include any investments with:
- Building societies not meeting the basic security requirements under the specified investments. The operation of some building societies does not require a credit rating, although in every other respect the security of the society would match similarly sized societies with ratings.
  - Any bank or building society that has a minimum long term credit rating of A- for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).

## 9. MINIMUM REVENUE PROVISION AND INTEREST COSTS AND OTHER REGULATORY INFORMATION 2020/21

- 9.1 There are two elements to the Councils annual loan repayment costs – the statutory Minimum Revenue Provision (MRP) and interest costs. The Council is required to pay off an element of the Capital Financing Requirement (CFR) each year through a revenue charge called the Minimum Revenue Provision (MRP).
- 9.2 MHCLG Regulations require the Council to approve **an MRP Statement** in advance of each year. This will determine the annual loan repayment charge to the revenue account.
- 9.3 The budget strategy is based on the following MRP statement and Council is recommended to formally approve this statement:



- For capital expenditure incurred before 1<sup>st</sup> April, 2008 the Council's MRP policy is to calculate MRP based on a 50 year annuity repayment.
  - i. Where MRP has been overcharged in previous years, the recovery of the overcharge will be implemented by reducing the MRP in relation to this capital expenditure by reducing future MRP charges that would otherwise have been made. It should be noted that this will ensure the debt will be paid off by 2056/57 whereas the previous 4% reducing balance MRP charge would have left debt of £9.4m at this date.
  - ii. The total MRP after applying the adjustment will not be less than zero in relation to this capital expenditure.
  - iii. The cumulative amount adjusted for will never exceed the amount overpayment.
- From 1<sup>st</sup> April, 2008 the Council calculates MRP based on asset life for all assets or where prudential borrowing is financed by a specific annuity loan, MRP will be calculated according to the actual annuity loan repayments.
- The MHCLG revised its MRP guidance in 2017, which would impact on any future changes to the Council's MRP policy, however the guidance is not retrospective. The approved MRP policy implemented prior to the MHCLG changes is therefore compliant with the recent MHCLG revisions and will be carried forward in the future years, until such time as a prudent approach is considered to be appropriate.
- MRP in relation to the Hartlepool Western Growth Corridor (HWGC) will be applied using a 40 year straight line basis, with additional annual VRP applied to reflect S106 income to achieve repayment over a 7 to 10 year period. Where additional VRP is made any 'overpayment' may be used to reduce future MRP charges if S106 receipts are delayed.

#### 9.4 **CIPFA Treasury Management Code of Practice**

9.5 The Council has adopted CIPFA Treasury Management Code of Practice. Confirmation of this is the first prudential indicator.

#### 9.6 **Treasury Management Advisors**

9.7 The Council uses Link Asset Services – Treasury as its external treasury management advisors.

9.8 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

9.9 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the

methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

#### 9.10 **Markets in Financial Instruments Directive (MIFID II)**

9.11 On 3<sup>rd</sup> January 2018 an updated version of the European Union's Markets in Financial Instruments Directive (known as MIFID II) comes into effect. It is designed to offer greater protection for investors and inject more transparency into financial markets. Under MIFID II all local authorities will be classified as "retail" counterparties and will have to consider whether to opt up to "professional" status and for which type of investments

9.12 Local authorities that choose not to opt up or do not meet the minimum criteria for opting up (i.e. minimum investment balances of £10m) may face a reduction in the financial products available to them, a reduction in number of brokers and asset managers that will be able to engage with and may face increased fees.

9.13 Local authorities that choose to opt up must be able to satisfy some quantitative tests, and each Financial Institution will independently determine whether the Authority meet the qualitative test of being appropriately knowledgeable, expert and experienced. Financial Institutions also need to satisfy themselves that the Authority can make its own investment decisions and understands the risks involved.

9.14 The Council choose to opt up in order to maintain the Council's ability to operate effectively under the new regime.

### 10. **FINANCIAL CONSIDERATIONS**

10.1 As detailed in preceding paragraphs.

### 11. **RISK IMPLICATIONS**

11.1 There is a risk in relation to the level of interest rates the Council is able to secure for long term borrowing and the proposals detailed in this report are designed to manage these risks. This includes reducing the size of the CIP pot if interest rates increase beyond the level used to estimate the size of this pot.

11.2 There are also risk implication in relation to the investment of surplus cash and these are addressed in the strategy recommended in section 8.

### 12. **LEGAL CONSIDERATIONS**

12.1 The report details how the Council will comply with the relevant legal and regulatory requirements in relation to Treasury Management activities.

**13. CHILD AND FAMILY POVERTY**

13.1 None.

**14. EQUALITY AND DIVERSITY CONSIDERATIONS**

14.1 None.

**15. SECTION 17 OF THE CRIME AND DISORDER ACT 1998 CONSIDERATIONS**

15.1 None

**16. STAFF CONSIDERATIONS**

16.1 None

**17. ASSET MANAGEMENT CONSIDERATIONS**

17.1 None

**18. CONCLUSION**

18.1 The report sets out how the Council will comply with the regulatory framework to ensure the Council achieves the lowest borrowing costs and security for any temporary cash investments made by the Council.

18.2 In relation to the borrowing strategy this underpins capital investment decision made in the MTFS and HRA Business Plan to ensure affordable interest rates are secured. The timing of long term borrowing decisions will then be managed carefully to ensure that interest rates are fixed at an affordable level.

18.3 In relation to the investment strategy the Council has adopted an extremely prudent approach over the last few years and continues to do so. It is recommended that the Council approves the existing counterparty criteria as set out in paragraphs 8.7.

**19. RECOMMENDATIONS**

19.1 It is recommended that Members approve that the following proposals are referred to full Council:

**19.2 Treasury Management Outturn Position 2018/19**

- i) Note the 2018/19 Treasury Management Outturn detailed in section 4 and Appendix A.

**19.3 Treasury Management Strategy 2019/20 Mid-Year Review**

- ii) Note the 2019/20 Treasury Management Mid-year Position detailed in section 5.

**19.4 Treasury Management Strategy 2020/21 (Prudential Indicators)**

- iii) Approve the prudential indicators outlined in Appendix B.

**19.5 Borrowing Strategy 2020/21**

- iv) **Core borrowing requirement** (including borrowing for specific business cases) – following the securing of exceptionally low interest rates approve that the remainder of the under borrowing is netted down against investments.
- v) To note that in the event of a change in economic circumstances that the Director of Finance and Policy may take out additional borrowing if this secures the lowest long term interest cost.
- vi) To authorise the Director of Finance and Policy to implement Treasury Management arrangements which minimise the short and long term cost to the Council.
- vii) **Capital Investment Programme (CIP)** – to note that in order to secure the CIP pot of £13.395m the Director of Finance and Policy will seek to lock into long terms loans once the 2020/21 budget proposals have been approved by full Council.

**19.6 Investment Strategy 2020/21**

- viii) Approve the Counterparty limits as set out in paragraph 8.7.

**19.7 Minimum Revenue Provision (MRP) Statement**

- ix) Approve the MRP statement outlined in paragraph 9.3 above.

**20. REASON FOR RECOMMENDATIONS**

- 20.1 To allow Members to fulfil their responsibility for scrutinising the Treasury Management Strategy

**21. CONTACT OFFICER**

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## Appendix A

**Prudential Indicators 2018/19 Outturn**1. Ratio of Financing Costs to Net Revenue Stream

This indicator shows the proportion of the total annual revenue budget that is funded by the local tax payer and Central Government, which is spent on servicing debt.

2018/19 Estimate		2018/19 Outturn
4.07%	Ratio of Financing costs to net revenue stream	3.53%

2. Capital Expenditure

This indicator shows the total capital expenditure for the year.

2018/19 Estimate £'000		2018/19 Outturn £'000
22,853	Capital Expenditure	26,154

The actual is higher than estimated owing to the phasing of capital expenditure between years.

3. Capital Expenditure Financed from Borrowing

This shows the borrowing required to finance the capital expenditure programme, split between core expenditure and expenditure in relation to business cases.

2018/19 Estimate £'000		2018/19 Outturn £'000
572	Core Capital Expenditure Financed by Borrowing	3,506
6,914	Business Case Capital Expenditure Financed by Borrowing	2,026
647	HRA Capital Expenditure Financed by Borrowing	-
<b>8,133</b>	<b>Total Capital Expenditure Financed by Borrowing</b>	<b>5,532</b>

The actual is lower than estimated owing to the phasing of borrowing between years.

4. Capital Financing Requirement

CFR is used to determine the minimum annual revenue charge for capital expenditure repayments (net of interest). It is calculated from the Council's Balance Sheet and is shown below. Forecasts for future years are directly influenced by the capital expenditure decisions taken and the actual amount of revenue that is set aside to repay debt.

2018/19 Estimate £'000		2018/19 Outturn £'000
72,467	Core Capital Financing Requirement	71,714
24,344	Business Case Capital Financing Requirement	21,909
10,178	HRA Capital Financing Requirement	9,814
<b>106,989</b>	<b>Total Capital Financing Requirement</b>	<b>103,437</b>

The capital financing requirement is lower than estimated owing to the phasing of capital expenditure.

5. Authorised Limit for External Debt

The authorised limit determines the maximum amount the Council may borrow at any one time. The authorised limit covers both long term borrowing for capital purposes and borrowing for short term cash flow requirements. The authorised limit is set above the operational boundary to provide sufficient headroom for operational management and unusual cash movements. In line with the Prudential Code, the level has been set to give the Council flexibility to borrow up to three years in advance of need if more favourable interest rates can be obtained.

2018/19 Limit £'000		2018/19 Peak £'000
125,000	Authorised limit for external debt	89,597

The above Authorised Limit was not exceeded during the year. The level of debt as at 31<sup>st</sup> March 2019, excluding accrued interest was £87.434m. The peak level during the year was £89.597m.

6. Operational Boundary for External Debt

The operational boundary is the most likely prudent, but not worst case scenario, level of borrowing without the additional headroom included within the authorised limit. The level is set so that any sustained breaches serve as an early warning that the Council is in danger of overspending or failing to achieve income targets and gives sufficient time to take appropriate corrective action.

2018/19 Limit £'000		2018/19 Peak £'000
115,000	Operational boundary for external debt	89,597

The operational limit was not exceeded in the year. The peak level of debt was £89.597m.

## 7. Interest Rate Exposures

This indicator is designed to reflect the risk associated with both fixed and variable rates of interest, but must be flexible enough to allow the Council to make best use of any borrowing opportunities.

2018/19 Limit £'000	Upper limits on fixed and variable interest rate exposure	2018/19 Peak £'000
115,000 85,000	Fixed Rates Variable Rates	69,597 20,000

The figures represent the peak values during the period.

## 8. Maturity Structure of Borrowing

This indicator is designed to reflect and minimise the situation whereby the Council has a large repayment of debt needing to be replaced at a time of uncertainty over interest rates, but as with the indicator above, it must also be flexible enough to allow the Council to take advantage of any borrowing opportunities.

	Upper Limit £000	Lower Limit £000	Actual by Maturity Date £000	Actual by soonest call date £000
Less than one year	111,000	0	9,238	14,238
Between one and five years	121,000	0	7,377	22,377
Between five and ten years	121,000	0	4,070	4,070
Between ten and fifteen years	121,000	0	3,975	3,975
Between fifteen and twenty years	121,000	0	2,790	2,790
Between twenty and twenty-five years	121,000	0	2,227	2,227
Between twenty-five and thirty years	121,000	0	2,557	2,557
Between thirty and thirty-five years	121,000	0	3,044	3,044
Between thirty-five and forty years	121,000	0	6,554	6,554
Between forty and forty-five years	121,000	0	807	807
More than forty-five years	121,000	0	45,217	25,217

9. Investments over Maturing over One Year

This sets an upper limit for amounts invested for periods longer than 364 days. The limit was not exceeded as a prudent approach to investment has been taken owing to uncertainties in the economy this is in line with the Treasury Management Strategy. Consequently all investments made during the year were limited to less than one year.

	1 year £000	2 year £000	3 year £000
Maximum Limit	20,000	0	0
Actual	0	0	0



## **TREASURY MANAGEMENT STRATEGY 2020/21 REGULATORY INFORMATION AND PRUDENTIAL INDICATORS**

### **1. INTRODUCTION**

- 1.1 The regulatory information and prudential indicators for the 2020/21 Treasury Management Strategy are set out below.

### **2. PRUDENTIAL INDICATORS**

- 2.1 The Local Government Act 2003 requires the Council to adopt the CIPFA Prudential Code and set prudential indicators. Each indicator either summarises the expected capital activity or introduces limits upon that activity.
- 2.2 The first prudential indicator is confirmation that the Council has adopted the CIPFA Treasury Management Code of Practice, which the Treasury Management Strategy report confirms.
- 2.3 Details of the proposed prudential limits are set out in the following sections.

### **3. CAPITAL EXPENDITURE AND FINANCING REQUIREMENT**

- 3.1 The Council's Borrowing Strategy is driven by the Capital Financing Requirement (CFR) and the Council's view of interest rates. The CFR is the amount the Council needs to borrow to fund capital expenditure incurred in previous financial years and forecast capital expenditure in the next three years which is funded from borrowing. Historically the majority of the Council's CFR related to capital expenditure supported by Government borrowing approvals.
- 3.2 Government borrowing approvals are authority to fund capital expenditure from loans. Prior to the introduction of the prudential borrowing system in the Local Government Act 2003 Councils could only borrow for capital expenditure authorised by a Government borrowing approval.
- 3.3 Following the introduction of the prudential borrowing systems Councils can determine their own borrowing levels, subject to revenue affordability. The Council has managed the new flexibility carefully owing to the ongoing revenue commitment of taking on new additional borrowing. The Council has only approved specific self-funding business cases, for example affordable housing schemes and a limited amount of General Fund capital expenditure where the resulting loan repayment and interest costs have been funded as a revenue budget pressure.

- 3.4 Councils ultimately need to fund the CFR by borrowing money from the Public Works Loan Board (PWLB) or banks. The CFR is then repaid over a number of years reflecting the long term benefits of capital expenditure. In simple terms the CFR represents the Council's outstanding mortgage, although the legislation and accounting requirements are significantly more complex.
- 3.5 The estimated Capital Finance & Borrowing Requirement is shown in the following table:

<b>Capital Financing &amp; Borrowing Requirement</b>	<b>2019/20 Revised £'000</b>	<b>2020/21 Estimate £'000</b>	<b>2021/22 Estimate £'000</b>	<b>2022/23 Estimate £'000</b>
<b>CFR at 1st April</b>	<b>103,436</b>	<b>120,692</b>	<b>135,373</b>	<b>147,404</b>
Capital Expenditure Financed by New Borrowing	11,914	16,700	5,535	3,664
Approved Borrowing Rephased from 2018/19 and Borrowing Profiled for Future Years	18,794	0	0	0
Less Borrowing to be Rephased to Future Years	(11,033)	1,033	10,000	0
Less Repayment of CFR	(2,419)	(3,052)	(3,504)	(3,420)
<b>CFR at 31st March</b>	<b>120,692</b>	<b>135,373</b>	<b>147,404</b>	<b>147,648</b>
Less assets held under Finance Lease	(256)	(245)	(235)	(225)
<b>Borrowing Requirement</b>	<b>120,436</b>	<b>135,128</b>	<b>147,169</b>	<b>147,423</b>
Corporate Borrowing Requirement	75,044	87,374	85,554	83,805
Business Case Borrowing Requirement	35,579	36,889	47,451	46,133
Housing Revenue Account Borrowing Requirement	9,814	10,866	14,165	17,486
<b>Borrowing Requirement</b>	<b>120,436</b>	<b>135,128</b>	<b>147,169</b>	<b>147,423</b>

\*The Capital Expenditure in 2020/21 includes the £13.395m Council Capital Investment Programme to be funded from Prudential Borrowing, the actual profiling will be updated once the individual schemes have been approved by Finance and Policy Committee.

# The Housing Revenue Account (HRA) borrowing requirement forecast may change to reflect the phasing of capital expenditure approved within the detailed HRA Business Plan, which will be considered by Finance and Policy Committee in January 2020.

- 3.6 As part of the Medium Term Financial Strategy the Council is required to approve the 2020/21 capital programme summarised as follows:

Capital Expenditure	2019/20 Revised £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000
New Approved Capital Expenditure	24,426	20,489	9,157	7,286
Rephased Capital Expenditure from 2018/19 and Expenditure Profiled for Future Years	34,350	0	0	0
2019/20 Capital Expenditure to be Rephased	(24,603)	14,603	10,000	0
<b>Capital Expenditure for the Year</b>	<b>34,173</b>	<b>35,092</b>	<b>19,157</b>	<b>7,286</b>
<b>Financed by:</b>				
Capital grants and contributions	12,512	3,789	3,622	3,622
Other Capital Funding	0	0	0	0
Capital Expenditure to be funded from New Prudential Borrowing	11,914	16,700	5,535	3,664
Capital Resources Rephased from 2018/19 and Capital Resources Profiled for Future Years	34,350	0	0	0
Rephased Expenditure between years.	(24,603)	14,603	10,000	0
<b>Total Funding</b>	<b>34,173</b>	<b>35,092</b>	<b>19,157</b>	<b>7,286</b>
Non-HRA Capital Expenditure	34,173	34,040	15,858	3,965
HRA Capital Expenditure	0	1,052	3,299	3,321
<b>Total Capital Expenditure</b>	<b>34,173</b>	<b>35,092</b>	<b>19,157</b>	<b>7,286</b>

#### 4. AFFORDABILITY PRUDENTIAL INDICATORS

4.1 The affordability of the approved Capital Investment Programme was assessed when the capital programme was approved and revenue costs are built into the Medium Term Financial Strategy or individual business cases. The 'Affordability Prudential Indicators' are detailed below and are intended to give an indication of the affordability of the planned capital expenditure financed by borrowing in terms of the impact on Council Tax and the Net Revenue Stream.

#### 4.2 Incremental Impact of Capital Expenditure on Housing Rent Levels

4.3 This indicator shows the revenue impact on any newly proposed changes to HRA capital expenditure. At present there will be no impact on housing rent levels as these have been set taking into account the existing HRA capital programme.

	Forward Projection	Forward Projection	Forward Projection	Forward Projection
	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
<b>Weekly Housing Rent Levels</b>	£0.00	£0.00	£0.00	£0.00

4.4 Ratio of Financing Costs to Net Revenue Stream

- 4.5 This shows the net cost of capital borrowing as a percentage of the net budget. The decrease reflects significant savings from locking into historically low interest rates and re-profiling of MRP as outlined in the report.

	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Non-HRA financing cost to General Fund Net Revenue Stream	4.07%	3.93%	3.83%	3.83%

4.6 Ratio of Finance Costs to HRA Net Revenue Stream

- 4.7 This shows the net cost of capital borrowing as a percentage of the net HRA budget arising from the phased implementation of the business case.

	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
HRA financing cost to HRA Net Revenue Stream	28.89%	27.98%	28.61%	36.60%

- 4.8 This reflects the profile of funding used to finance the HRA, including delaying the use of borrowing.

5. **BORROWING PRUDENTIAL INDICATORS**5.1 Debt Projections 2019/20 – 2022/23

- 5.2 The following table sets out the Council's projected Capital Financing Requirement (CFR) and level of debt:

Debt and Investment Projections	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Long Term Borrowing 1 April	87,434	91,434	108,434	119,434
Expected change in Long Term Debt	4,000	17,000	11,000	0
<b>Debt at 31 March</b>	<b>91,434</b>	<b>108,434</b>	<b>119,434</b>	<b>119,434</b>
<b>Borrowing Requirement</b>	<b>120,436</b>	<b>134,476</b>	<b>142,860</b>	<b>139,436</b>
<b>Under Borrowing</b>	<b>(29,002)</b>	<b>(26,042)</b>	<b>(23,426)</b>	<b>(20,002)</b>
Non-HRA Debt	81,620	97,568	105,269	101,948
HRA Debt	9,814	10,866	14,165	17,486
<b>Total Debt</b>	<b>91,434</b>	<b>108,434</b>	<b>119,434</b>	<b>119,434</b>

- 5.3 Although the Council has reduced the level of under borrowing in recent years the table shows that an element of core borrowing can continue to be temporarily deferred by netting down investments and borrowing.

5.4 Limits to Borrowing Activity

- 5.5 Within the prudential indicators there are a number of key indicators to ensure the Council operates its activities within well defined limits.

- 5.6 The Council needs to ensure that total borrowing does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2020/2021 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes. The following table demonstrates that borrowing will not exceed the CFR.

External Debt	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Gross Borrowing	91,434	108,434	119,434	119,434
Other Long Term Liabilities	256	245	235	225
<b>Total Gross Borrowing</b>	<b>91,690</b>	<b>108,679</b>	<b>119,669</b>	<b>119,659</b>
<b>Borrowing Requirement</b>	<b>120,436</b>	<b>134,476</b>	<b>142,860</b>	<b>139,436</b>

- 5.7 The following table shows two key limits for the monitoring of debt. The Operational Limit is the likely limit the Council will require and is aligned closely with the actual CFR on the assumption that cash flow is broadly neutral. The Authorised Limit for External Debt is a further key prudential indicator to control the overall level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the Council. In practice it needs to take account of the range of cash flows that might occur for the Council in addition to the CFR. This also includes the flexibility to enable advance refinancing of existing loans.

Borrowing Limits	2019/20 £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Operational Limit	131,000*	145,000*	157,000	157,000
Authorised limit	141,000*	155,000*	167,000	167,000

\*These Limits include provision for potential temporary borrowing related to the phasing of capital receipts over the period of the MTFS.

## 6. INVESTMENT PRUDENTIAL INDICATORS AND OTHER LIMITS ON TREASURY ACTIVITY

### 6.1 Investment Projections 2019/20 – 2022/23

6.2 The following table sets out the estimates for the expected level of resource for investment or use to defer long term borrowing.

2018/19 Outturn £'000	Year End Resources	2019/20 Revised £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000
41,467	Balances and Reserves	32,335	28,692	27,120	25,771
(1,286)	Collection Fund Adjustment Account*	0	0	0	0
4,485	Provisions	4,485	4,485	4,485	4,485
<b>44,666</b>	<b>Total Core Funds</b>	<b>36,820</b>	<b>33,177</b>	<b>31,605</b>	<b>30,256</b>
(8,023)	Working Capital**	(7,100)	(7,100)	(7,100)	(7,100)
<b>36,643</b>	<b>Resources Available for Investment</b>	<b>29,720</b>	<b>26,077</b>	<b>24,505</b>	<b>23,156</b>
(16,002)	(Under)/over borrowing	(29,002)	(26,694)	(27,735)	(27,989)
<b>20,641</b>	<b>Expected Investments</b>	<b>718</b>	<b>(617)</b>	<b>(3,230)</b>	<b>(4,833)</b>

### 6.3 Sensitivity to Interest Rate Movements

6.4 Sensitivity to Interest Rate Movements is a prudential indicator that the Authority is required to disclose. The following table highlights the estimated impact of a 1% increase/decrease in all interest rates to the estimated treasury management costs/income for next year. These forecasts are based on a prudent view of a +/- 1% change in interest rates for the borrowing requirement that has not yet been fixed (i.e. under borrowing). Equally for investments they are based on a prudent view of the total amount invested. That element of the debt and investment portfolios which are of a longer term, fixed interest rate nature will not be affected by short interest rate changes. The “Treasury Management Risk Reserve” was established to manage this risk.

Impact on Revenue Budgets	2019/20 Estimated 1% £'000	2019/20 Estimated -1% £'000
Interest on Borrowing	260	(260)
Investment income	(0)	0
<b>Net General Fund Borrowing Cost</b>	<b>260</b>	<b>(260)</b>

6.5 There are four further treasury activity limits and the purpose of these are to contain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates.

## 6.6 The limits are:

- i) Upper limits on variable interest rate exposure – This identifies a maximum limit for the percentage of the Council's borrowing and investments that are held with variable interest rates. The proposed limits are detailed in the following table.

Limits on Variable Interest Rates	2020/21 Upper £'000	2021/22 Upper £'000	2022/23 Upper £'000
Borrowing	75%	75%	75%
Investments	100%	100%	100%

- ii) Upper limits on fixed interest rate exposure – Similar to the previous indicator this covers a maximum limit for the percentage of the Council's borrowing and investments that are held with fixed interest rates.

Limits on Fixed Interest Rates	2020/21 Upper £'000	2021/22 Upper £'000	2022/23 Upper £'000
Borrowing	100%	100%	100%
Investments	100%	100%	100%

- iii) Maturity structure of borrowing – Limits for the 'Maturity Structure of Borrowing' are intended to reduce exposure to large fixed rate sums falling due for refinancing. In the opinion of the Chief Finance Officer limits on fixed and variable rates for **borrowing** are unhelpful and could lead to higher costs of borrowing. Previous experience has shown that it is possible to move from a position of predominantly fixed rate borrowing to variable rate borrowing and then back to fixed rate borrowing over a period of two years. In the Chief Finance Officer's professional opinion this proactive management of investments and borrowing continues to provide the most cost effective strategy for the Council, whilst not exposing the Council to unnecessary risk. The Council should ensure maximum flexibility to minimise costs to the revenue budget in the medium term. These limits are detailed in the following table:

<b>Maturity Structure of fixed interest rate borrowing 2020/21</b>				
	<b>2019/20 £000</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2020/21 £000</b>
	<b>Lower Limit</b>	<b>Upper Limit</b>	<b>Lower Limit</b>	<b>Upper Limit</b>
Under 12 months	0	90%	0	90%
12 months to 2 years	0	100%	0	100%
2 years to 5 years	0	100%	0	100%
5 years to 10 years	0	100%	0	100%
10 years to 20 years	0	100%	0	100%
20 years to 30 years	0	100%	0	100%
30 years to 40 years	0	100%	0	100%
40 years to 50 years	0	100%	0	100%
50 years to 60 years	0	100%	0	100%
60 years to 70 years	0	100%	0	100%

- iv) Maximum principal sums invested – Total principal funds invested for greater than 364 days – These limits are set with regard to the Council's liquidity requirements and reflect the current recommended advice that investments are limited to short term investments i.e. up to one year.

<b>Limit for Maximum Principal Sums Invested &gt; 364 days</b>			
	<b>1 year £000</b>	<b>2 years £000</b>	<b>3 years £000</b>
Maximum	20,000	0	0

## 6.7 Performance Indicators

- 6.8 The Code of Practice on Treasury Management requires the Council to set performance indicators to assess the adequacy of the treasury function over the year. These are distinct historic indicators, as opposed to the prudential indicators, which are predominantly forward looking. The Council will produce the following performance indicators for information and explanation of previous treasury activity:

- Average rate of borrowing for the year compared to average available
- Debt – Average rate movement year on year



# AUDIT AND GOVERNANCE COMMITTEE

9 JANUARY 2020



**Report of:** Chief Solicitor

**Subject:** REGULATION OF INVESTIGATORY POWERS ACT  
2000 (RIPA) QUARTERLY UPDATE

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## 1. PURPOSE OF REPORT

- 1.1 To provide members with a quarterly update on activities relating to surveillance by the Council and policies under the Regulation of Investigatory Powers Act 2011.

## 2. BACKGROUND

- 2.1 Hartlepool Borough Council has powers under the Regulation of Investigatory Powers Act 2000 (RIPA) to conduct authorised covert surveillance.
- 2.2 This report is submitted to members as a result of the requirement to report to members under paragraph 4.47 of the Covert Surveillance and Property Interference Revised Code of Practice (August 2018) which states that:

*Elected members of a local authority should review the authority's use of the 1997 Act and the 2000 Act and set the policy at least once a year. They should also consider internal reports on use of the 1997 Act and the 2000 Act on a regular basis to ensure that it is being used consistently with the local authority's policy and that the policy remains fit for purpose.*

- 2.3 As from 1 November 2012 Local Authorities may only use their powers under the Regulation of Investigatory Powers Act 2000 to prevent or detect criminal offences punishable by a minimum term of 6 months in prison (or if related to underage sale of alcohol and tobacco – not relevant to this Council). The amendment to the 2000 Act came into force on 1 November 2012.
- 2.4 Examples of where authorisations could be sought are serious criminal damage, dangerous waste dumping and serious or serial benefit fraud. The surveillance must also be necessary and proportionate. The 2012 changes

mean that authorisations cannot be granted for directed surveillance for e.g. littering, dog control, fly posting.

- 2.5 As from 1 November 2012 any RIPA surveillance which the Council wishes to authorise must be approved by an authorising officer at the council and also be approved by a Magistrate; where a Local Authority wishes to seek to carry out a directed surveillance or make use of a human intelligence source the Council must apply to a single Justice of the Peace.

### 3. RIPA AUTHORISATIONS

- 3.1 In the quarter to 31 December 2019:

Communications Data	Nil
CHIS	Nil
Directed Surveillance	Nil

### 4. RECOMMENDATION

- 4.1 That the quarterly report be noted.

### 5. REASONS FOR RECOMMENDATIONS

- 5.1 To enable the Council to monitor the RIPA system effectively and as required by law and guidance.

### 6. CONTACT OFFICER

- 6.1 Hayley Martin  
Chief Solicitor and Senior Responsible Officer for RIPA  
[Hayley.martin@hartlepool.gov.uk](mailto:Hayley.martin@hartlepool.gov.uk)  
01429 523003

## AUDIT AND GOVERNANCE COMMITTEE

9 January 2020



**Report of:** Statutory Scrutiny Manager

**Subject:** INVESTIGATION INTO ANTI-SOCIAL BEHAVIOUR –  
EVIDENCE GATHERING

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### 1. PURPOSE OF REPORT

- 1.1 To inform Members that as part of the next stage of the Committee's investigation into Anti-Social Behaviour, today's meeting is an evidence gathering session from a number of organisations and individuals.

### 2. BACKGROUND INFORMATION

- 2.1 Members will recall that at the meeting of this Committee on the 25 July 2019, the Scope and Terms of Reference for the investigation were agreed. This was followed by an initial 'setting the scene' presentation on the 5 September 2019.

- 2.2 The Committee will at today's meeting consider evidence from the following:-

- i) **Police and Crime Commissioner – Restorative Justice and Diversionary Activities, see Appendix 6.1(b); and**
- ii) **North East Ambulance Service.**
- iii) **Council Champions;**

- 2.3 The evidence provided should assist Members to gain a clear understanding of:

- The support provided to perpetrators of anti-social behaviour from a restorative and diversionary activity viewpoint;
- The challenges organisations face in dealing with incidents of anti-social behaviour and how this affects the provision of their service:

### 3. RECOMMENDATION

- 3.1 It is recommended that Members of the Audit and Governance Committee consider the evidence presented and seek clarification on any relevant issues where required.

Contact Officer:- Joan Stevens – Statutory Scrutiny Officer  
Chief Executive's Department  
Hartlepool Borough Council  
Tel: 01429 284142  
Email: joan.stevens@hartlepool.gov.uk

## **BACKGROUND PAPERS**

The following background papers were used in the preparation of this report:-

- (i) Report of the Statutory Scrutiny Officer entitled 'Anti-Social Behaviour in Hartlepool' Presented to the Audit and Governance Committee on 25 July 2018

# YOUTH COUNCIL SURVEY

Hartlepool's Youth Council also took part in the Scrutiny Investigation. The members of the Council designed their own questionnaire to ask other young people about their experiences of anti-social behaviour in Hartlepool. The questions were broadly similar to those asked in the public online survey, but there were also some questions tailored specifically to the youth audience. Flashcards were also used with graphics illustrating the different types of behaviour to help younger respondents.

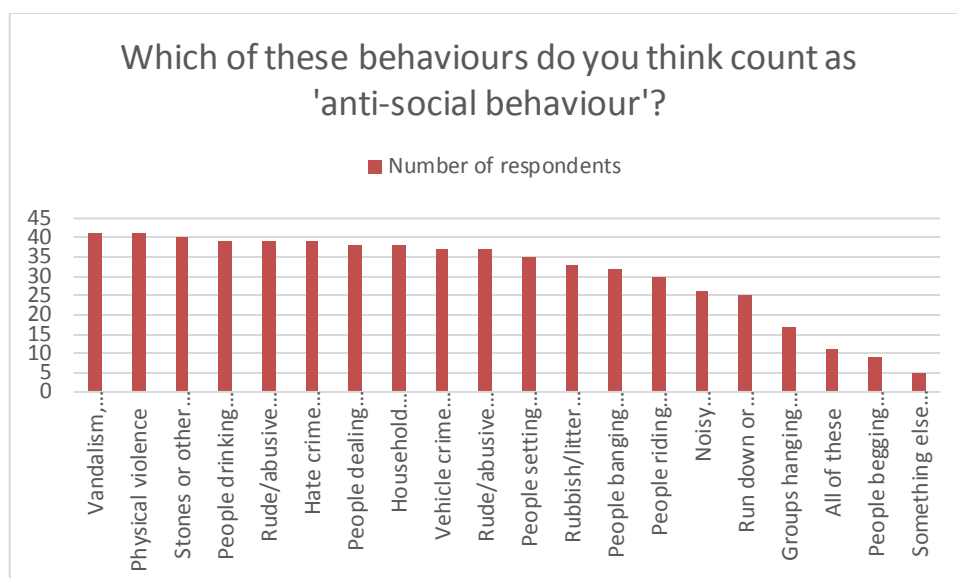
For safeguarding reasons, the 'about you' questions were kept very broad, particularly with reference to where the respondents live. It was also felt that many of the younger respondents would not know their postcode so a list of broad areas was supplied for respondents to choose from. This means this data will not compare exactly with other research which is based on street address or postcode data but is sufficient for these purposes.

Members of the Youth Council carried out several consultation sessions in various locations including the youth centres across Hartlepool. This survey specifically targeted young people who gave their responses there and then via a tablet or completed a paper copy of the survey. In total 56 responses were received.

## What is anti-social behaviour?

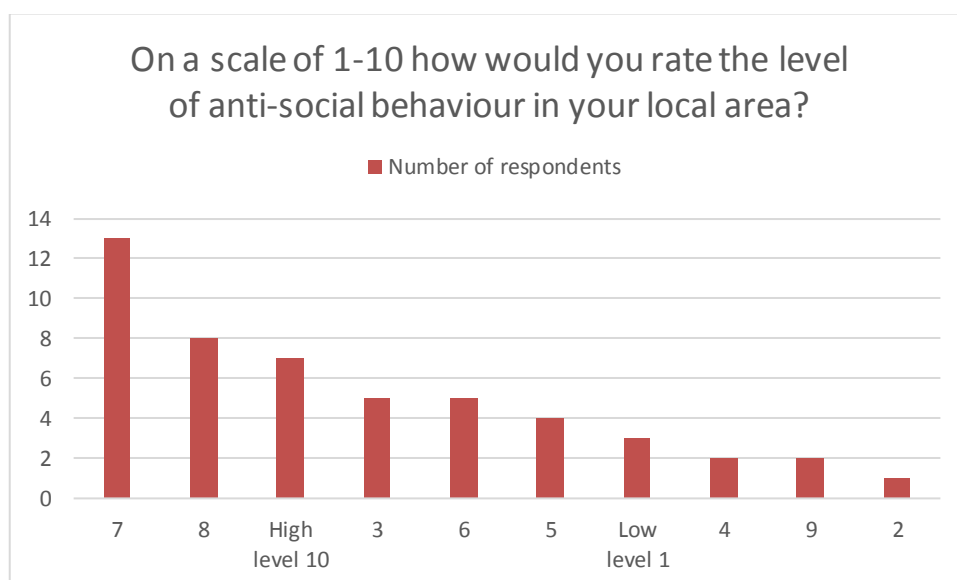
Respondents were shown a flashcard with a selection of different behaviours depicted on it and were asked to identify one or more behaviours which would be classed as anti-social behaviour. *Vandalism* and *physical violence* were both selected by the most respondents with 75% (41 respondents) identifying these behaviours as anti-social. Interestingly, over 50% of respondents selected 14 out of the 18 options as being anti-social behaviours, which suggests that most of the respondents have a good understanding of what constitutes anti-social behaviour.

Additionally, the behaviours which were selected by the fewest respondents are among those behaviours on the list which are most likely to be caused by adults rather than young people, for example, *run down or boarded up properties*. This is in contrast to the third most commonly identified behaviour *throwing stones at vehicles and/or properties*, which is most commonly done by children.



When asked if they had experienced any of the behaviours on the list, 75% of respondents had experienced at least one, compared to 25% who had not experienced any of these behaviours.

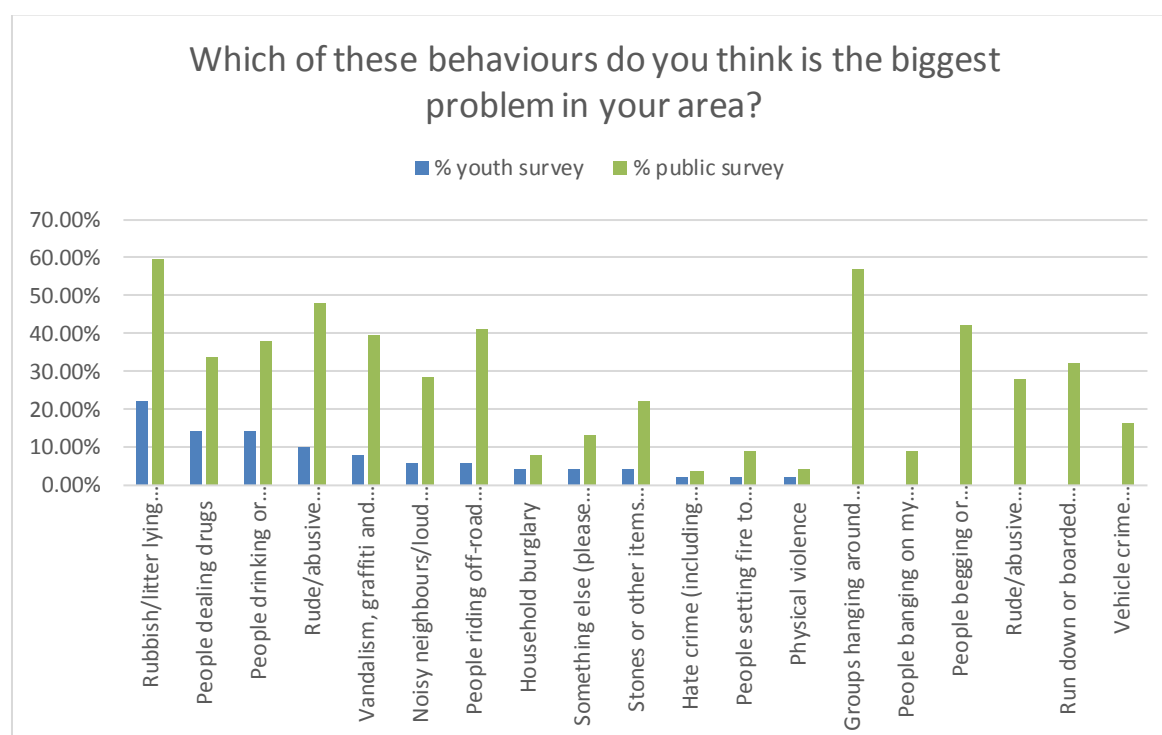
Respondents were also asked to rank the level of anti-social behaviour in their local area on a scale of one to ten (with 1 being low level and 10 being high level). Over half of respondents (56%) felt that the level of anti-social behaviour in their area was at the higher end of the scale (7, 8 or 10). This is similar to respondents to the public online survey, most of whom felt that anti-social behaviour in their area was either a *very big* or *fairly big* problem.



Respondents were also asked which of the behaviours on the flashcard they felt to be the biggest problem in their area, with more than one fifth identifying *rubbish and litter* as the biggest problem. This tallies with the public survey which also identified *rubbish and litter* as the biggest problem.

With the exception of rubbish and litter, the other behaviours considered to be the biggest problems by respondents to the public and Youth Council surveys were quite different. Whilst *people dealing drugs* and *people drinking/being drunk in the street* were both identified by 14% of young people as the second biggest problem; the respondents to the public survey identified *groups hanging around in the street or public places* as the second biggest problem (this answer was not selected by any of the young people).

Interestingly, both groups scored rude/abusive behaviour from children and young people highly. The following chart compares the responses from both groups for all behaviours:



Next, respondents were asked why they thought their local area may have more or less anti-social behaviour than other parts of Hartlepool. Forty comments were received, which can be broken down into the following broad categories (note the total adds up to more than 40 as some comments covered more than one category).

Reasons why ASB is higher in my area:

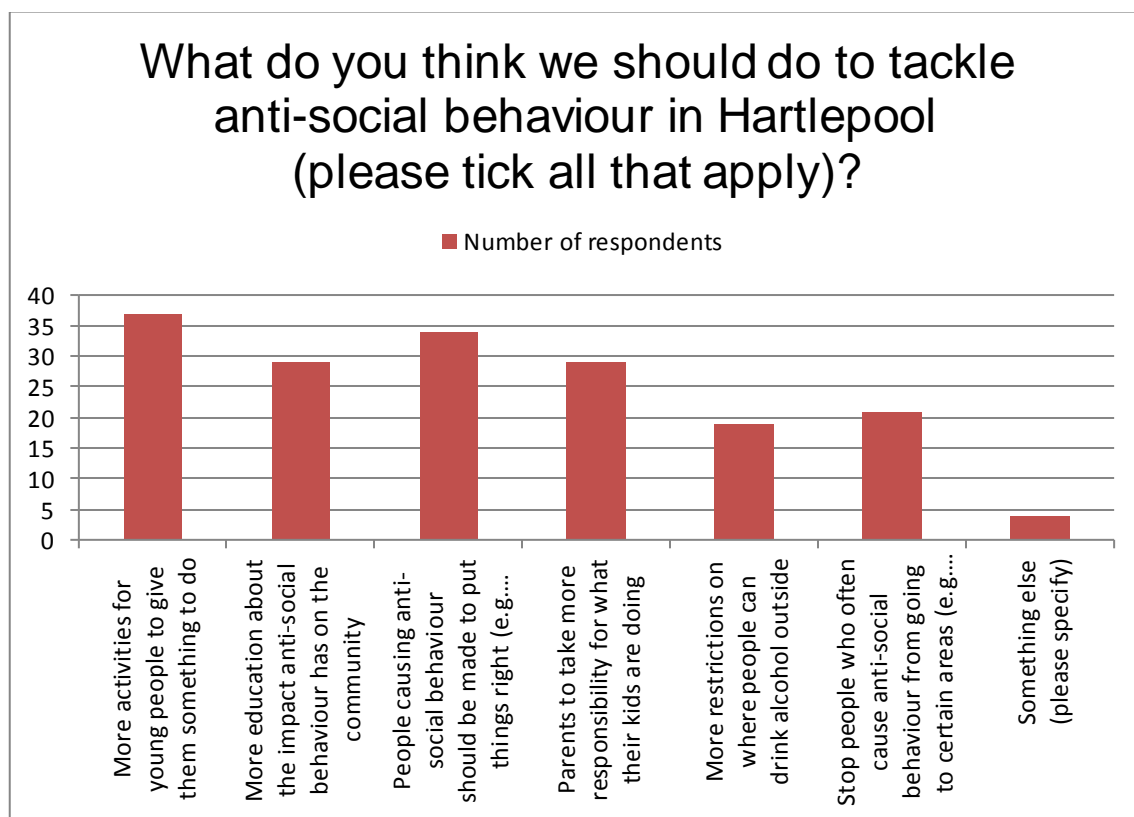
- Because of people drinking/taking drugs/dealing drugs – 10
- Other – 10
- Kids growing up in rough areas – 6
- Don't know – 4
- Because it is near a school/shop – 3
- Because I see it more in this area – 3
- There are more rude people in town – 2

Reasons why ASB is lower in my area;

- It is not as bad as other areas – 4
- We have security – 2

- No one goes outside – 1
- Because there are lots of elderly – 1
- Since someone came into school and told us not to start fires they don't do it anymore – 1

The respondents were also asked for their suggestions of what could be done to tackle anti-social behaviour in Hartlepool. Unsurprisingly, given that the respondents were young people, the top answer was to provide *more activities for young people to give them something to do* (37). The second most popular option was that *people carrying out anti-social behaviour should be made to put things right* (34). *Education about the impact of anti-social behaviour on the community* and for *parents to take more responsibility for what their kids are doing* also scored highly (both 29). Comments in the 'other' category included stopping big gangs from entering places.

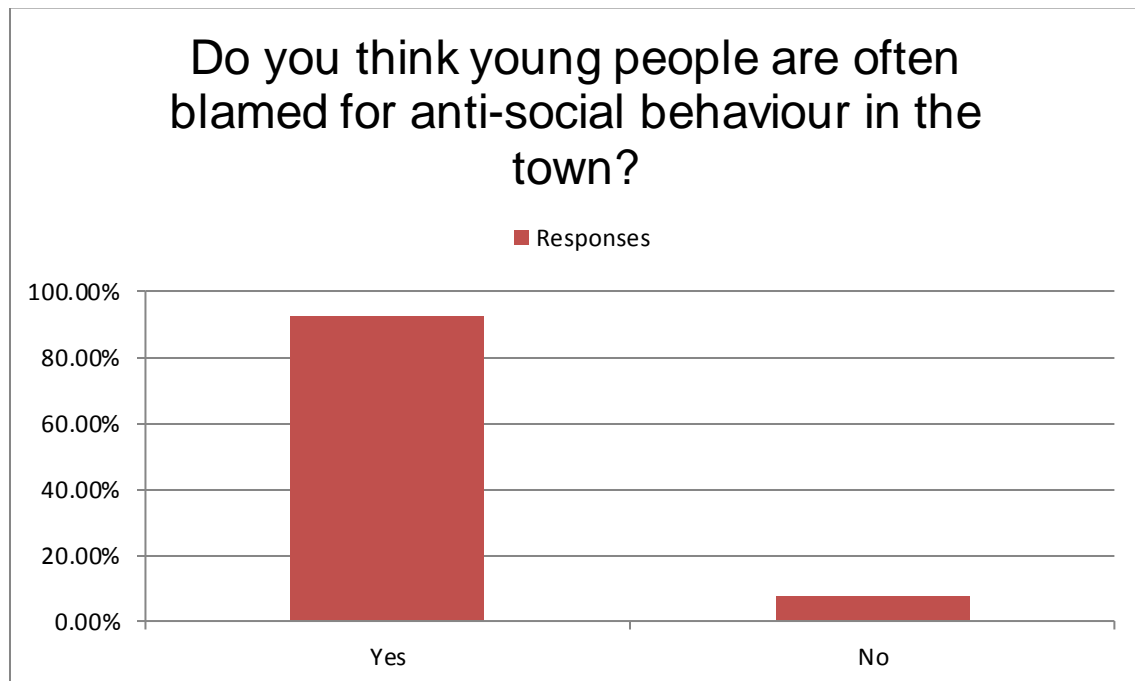


These suggestions from the young people about what can be done to tackle anti-social behaviour are markedly different to those suggested by the respondents to the public survey. Whilst the young people focussed on practical steps such as diversionary activities, education and making perpetrators put things right; the adults were much more focussed on the deterrent side of more police and harsher punishments. Only 2 adults suggested providing somewhere for young people to go.

Although the sample size is much smaller with the youth respondents, it is interesting to note that their responses also focussed on people taking responsibility for their own actions or those of their children; whilst the adult responses seem more focussed on passing the responsibility for dealing with anti-social behaviour on to the authorities.



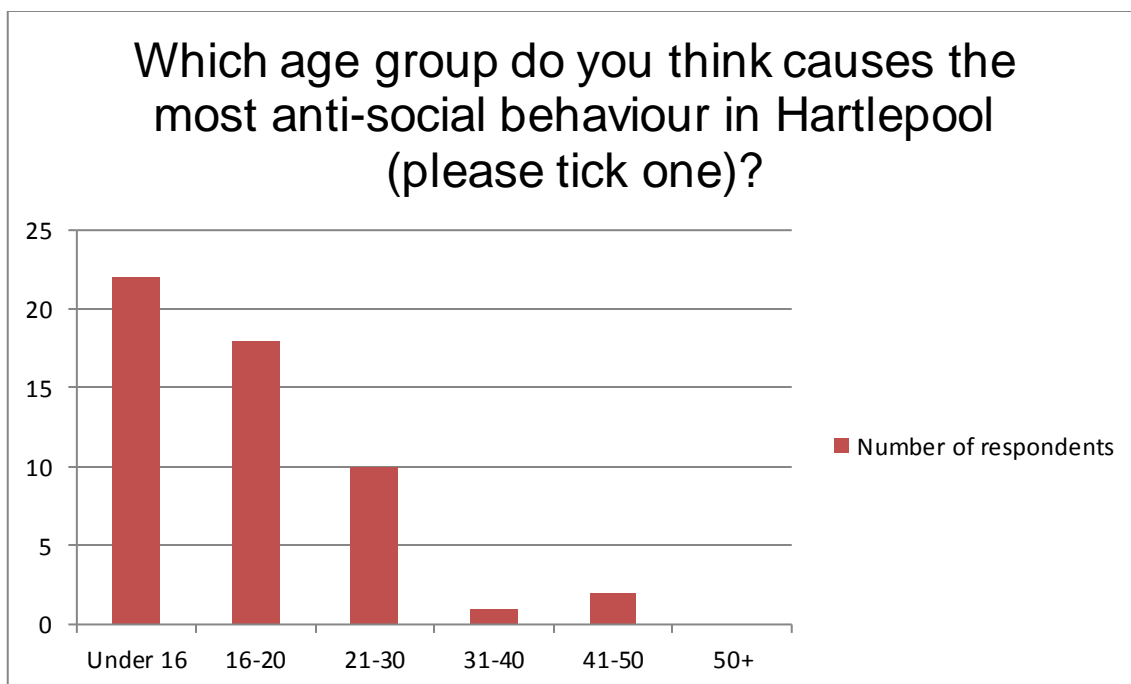
When asked if they felt that young people are often blamed for the anti-social behaviour in Hartlepool, the young people said overwhelmingly that they felt this to be the case. This is also something that has been identified in previous surveys and conversations about anti-social behaviour and is in contrast to the annual Safer Hartlepool Partnership Strategic Assessment which identifies that two thirds of all reported anti-social behaviour incidents are carried out by adults.



Next, respondents were asked what could be done to change this perception. 36 comment were received, which can be broken down into the following broad categories (note the total adds up to more than 36 as some comments covered more than one category).

- Show evidence of who really is to blame - 11
- Show young people in a good light/doing something positive – 10
- Other - 5
- Stop blaming kids – 4
- More understanding of what anti-social behaviour is – 3
- Don't know – 3
- Get to know the young people – 2

Interestingly, when asked which age group causes the most anti-social behaviour, despite their previous comments the group identified *under 16s* as the most likely age group to cause anti-social behaviour (42%). In fact, when *under 16s* is combined with the *16-20* age group this rises to 75% of respondents thinking this the most anti-social age group.

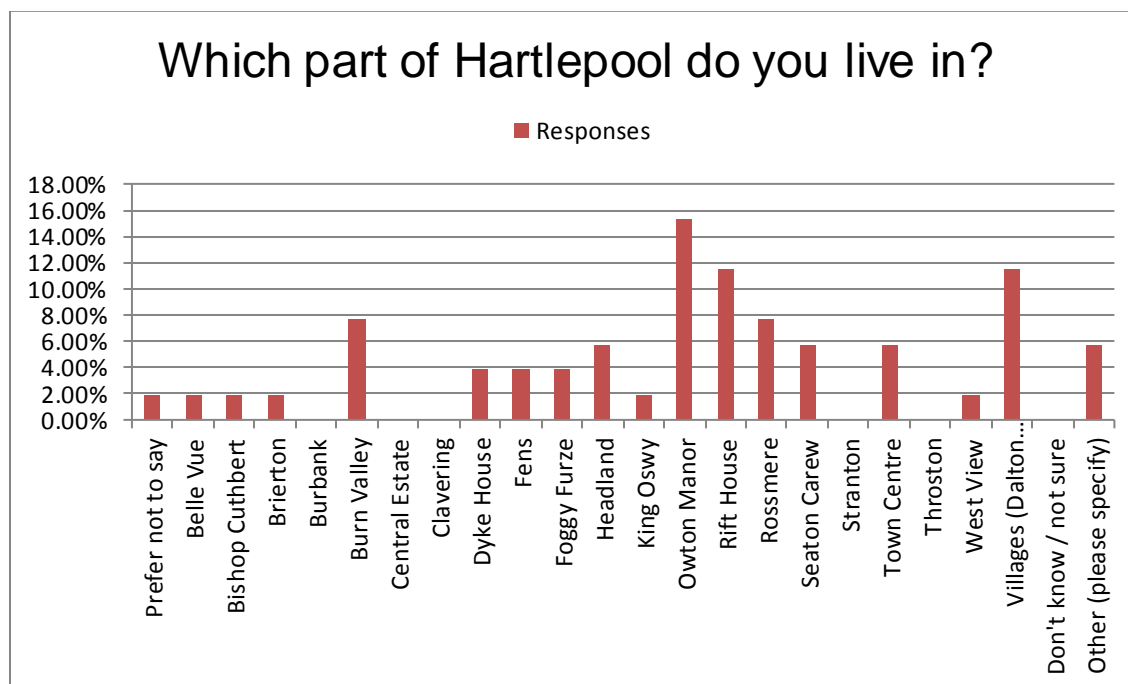


The next set of questions asked the respondents about their general feelings of safety in their local area and whether these feelings were affected by anti-social behaviour going on in that location. Two thirds of the young people questioned felt safe in their local area (34 / 64%). Of those who felt unsafe, the most common reason why was because of *scary or dodgy adults hanging around*. This is likely to be due to people hanging around waiting to buy drugs and, in fact, *there are people taking or dealing drugs nearby* was the third most common answer.



## About You

The majority of the young people who took the survey were aged between 12 and 17 years old (39 / 76%) with another 10 (20%) being young adults aged over 18. Additionally, most of the respondents were from Owton Manor, Rift House or the villages as shown on the chart below.



## CONCLUSIONS

Key findings from the youth survey showed that young people are also victims of anti-social behaviour as well as adults. Both adults and young people identified rubbish and litter as the biggest anti-social behaviour problem in Hartlepool, but the two groups disagreed with regard to the scale of other anti-social behaviours. Both adults and young people were concerned with the levels of drug dealing and drug taking in the town.

There was a marked difference in how the two groups thought that anti-social behaviour should be tackled. The young people advocated perpetrators should be made to take personal responsibility for their behaviour by putting right the harm they had caused and be made to understand the consequences of their behaviour for the wider community. Conversely, the adults felt that the authorities should be doing more through proactive preventative work and harsher punishments.

Whilst both groups also identified young people as being the cause of much of the anti-social behaviour in Hartlepool, the young people felt that this was unfair and more should be done to show young people in a positive light. The young people were also more likely to be made to feel unsafe in their local area by the actions of 'scary or dodgy' adults hanging around.



## **Hartlepool Audit and Governance Committee – 9 January 2020**

### **Office of the Police and Crime Commissioner – Anti Social Behaviour**

#### **Purpose of the Report**

1. To present information from the Office of the Police and Crime Commissioner as part of the Hartlepool Audit and Governance Committee's review of Anti-Social Behaviour and its impact on communities and how prevention and intervention services could potentially be improved.
2. The PCC has been invited to provide information on the services that he commissions to support victims of ASB.
3. The report therefore, provides information on the initiatives supported/commissioned by the Police and Crime Commissioner that provide direct/indirect support to victims of anti-social behaviour (ASB) and general activities aimed at preventing crime.

#### **Briefing**

#### **Initiatives in Hartlepool**

##### **Targeted Youth Outreach**

4. The OPCC funds Targeted Youth Outreach in all four Local Authority areas - £37k per year, per Local Authority. In Hartlepool the Local Authority has commissioned Belle Vue to deliver the service which consists of an assertive street based programme of early intervention, diversionary and positive activities, engaging with young people who are involved in, or at risk of becoming involved in antisocial behaviour activity. The service is intelligence led and delivered in a reactive manner, providing short term interventions in antisocial behaviour hotspot locations identified by partnership analysis and determined at local multi agency problem solving meetings (JAGs).
5. In addition to this, in 2019/20 the OPCC has funded additional targeted outreach through the Early Intervention Youth Fund (£37k for Hartlepool) directly to the Local Authority (managed by Nic Stone) and delivered by Belle Vue. In the last quarter (July-Sept 2019) over 700 young people were engaged. Group work was undertaken including sessions on ASB. Deployment of services to appropriate risk identified areas is managed by the Local Authority who are informed of ASB issues by Cleveland Police.

## Hartlepool Kicks

6. The OPCC funds Hartlepool United Community Sports Foundation £12,980 for 2019/20 to deliver the Hartlepool Kicks programme which involves diversionary sports provision run in targeted areas of Hartlepool. Community based evening sessions use a combination of sport and other activities and run as informal turn up and play sessions, in targeted areas as directed by Cleveland Police, with the aim of engaging young people not already taking part in more formal exercise or organised sport. Through the project the following activities are delivered:
  - Informal turn up and play sessions for 8-12 and 12-15 year olds 2 days a week, in targeted areas, as directed by Cleveland Police.
  - Project mentors to establish links to local schools, enabling direct work with the schools to help improve the attendance, attitude, behaviour and attainment of the young people involved in the project.
  - Substance misuse awareness and sexual health workshops.

## VCAS – Support for Victims of ASB

**Commitment: Provide dedicated support for vulnerable victims of anti-social behaviour through the Victim Care and Advice Service.**

1. This commitment is now business as usual. The VCAS service provides support to victims of crime and anti-social behaviour.
2. Details of the support offered to victims of ASB can be found on the VCAS website via the following link - <https://victimcareandadvice.service.uk/services/anti-social-behaviourharassment/>

## Divert

**Commitment: Implement the deferred prosecution model to both adult (Cleveland Divert) and young people (Youth Offending Triage Service) – providing interventions as an alternative to prosecutions.**

3. Cleveland Divert - Latest performance information, April 2019 – September 2019 shows that 187 accepted referrals into the scheme, with 75% of cases successfully closed during this time period 'Needs Met'. Work to refine referral processes, performance and outcome data is on-going, and this will be assisted going forward through the development of Power BI tools to track re-offending rates of Divert participants.
4. A review of Cleveland Divert has supported the extension of supporting PCC grant arrangements for a further 12 months to retain a quality service, build a stronger

evidence base of 'What Works' and explore future co-commissioning opportunities with new probation structures.

5. Youth Offending Triage Service – Discussions have taken place with Youth Offending Service leads and police representatives to explore how the youth triage offer can be extended to restorative interventions that are currently delivered by frontline police officers. Collectively it is recognised that there is an opportunity to provide a more structured early intervention offer to young people who are on the 'cusp' of offending behaviour. Initial discussions have gained support from 2 youth offending services to pilot the delivery of restorative interventions in 2020.

### **ACEs Training**

6. Training for professionals to understand why young people may commit crime and how to prevent it has been funded by the Police and Crime Commissioner.
7. The workshops form part of the PCC's pledge to reduce serious violence across Cleveland, after securing a national investment of £546,000 from the Home Office's Early Intervention Youth Fund. People who work with young people at risk of offending will learn about Adverse Childhood Experiences (ACEs), which are stressful life events experienced in childhood. This may be domestic abuse, parental separation, abuse, neglect or growing up with a parent in prison. The aim of the training is to highlight the vulnerability of young people who have experienced ACEs and to ensure professionals know how to take action to prevent them entering the criminal justice system. The training plays a vital role in helping to prevent young people from entering the world of crime and offending, by understanding why the difficult situations they faced in childhood – through no fault of their own - might impact on their behaviour today.
8. A range of professionals working with young people will have access to the training, although priority will be shown to foster carers, staff from children's homes, pupil referral units and community-based youth services. By better understanding the driving factors behind criminal behaviour, we have a better chance of intervening at an early stage and creating safer communities free from serious violence.

# Anti-Social Behaviour Surveys

## Findings Report – Dec 2019

### BACKGROUND

The Council's Audit and Governance Committee has been investigating how we respond to reports of anti-social behaviour to find out if we are getting this right. Part of this investigation involved an online survey which was open to the general public and a shorter survey specifically aimed at young people which was designed and carried out by members of Hartlepool Youth Council. Both surveys asked respondents about their experiences of anti-social behaviour in Hartlepool over the past 6 months.

The purpose of the exercise was to understand:

- People's 'lived experience' of anti-social behaviour in Hartlepool, including what types of anti-social behaviour people were being subjected to
- How easy or difficult people found it to report this kind of behaviour and to seek help
- Whether the response provided by the Council and other agencies was meeting people's needs

### FINDINGS

It should be noted that:

- The level of response to the survey was good.
- Data obtained should be considered alongside other information (i.e. case studies) that can provide a balance of opinion. Those who are satisfied with a service may not be inclined to complete surveys.

### Who Responded

- **379 residents responded** to the public survey, of which 270 (71%) had experienced anti-social behaviour in the past 6 months.
- **The highest proportion of responses came from the 45-54 age bracket.**

Answer Choices	Responses
17 or under	1.31%
18-24	4.90%
25-34	11.76%
35-44	17.97%
45-54	23.53%
55-64	21.57%
65+	15.36%
Prefer not to say	3.59%

- **The majority of responses came from the TS25 and TS26 postcodes** which cover a number of anti-social behaviour hotspot areas including the town centre, Middleton Grange Shopping Centre, Oxford Road, Burn Valley Park, Summerhill and Seaton Front.

Answer Choices	Responses
TS22	0.00%
TS23	0.65%
TS24	13.96%
TS25	45.78%
TS26	31.17%
TS27	5.84%

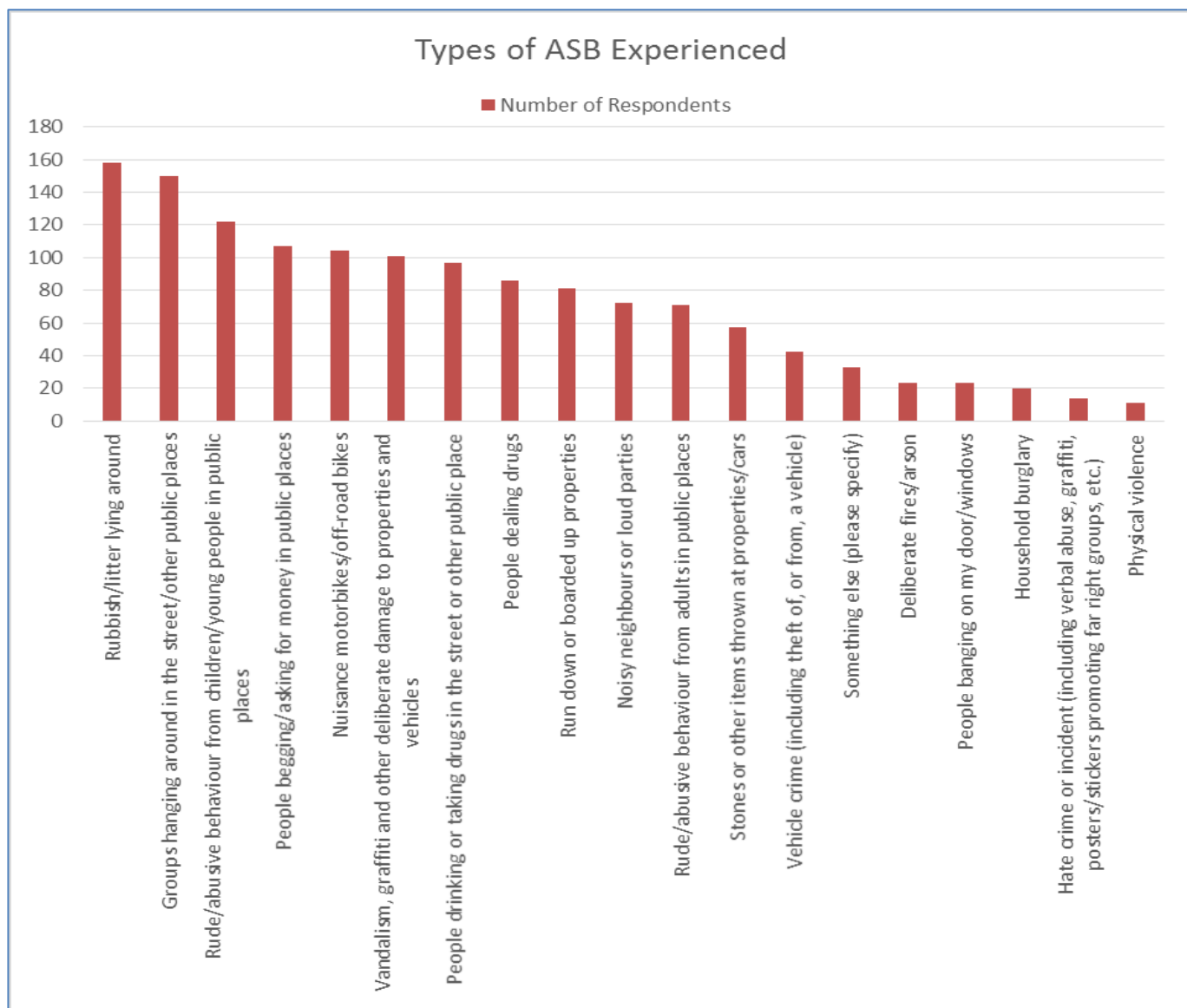
- **Two thirds of respondents were female**

Answer Choices	Responses
Female	66.34%
Male	29.74%
Prefer not to say	3.59%
Self-identify	0.33%



# 1) Types of ASB Experienced (in the Past 6 Months)

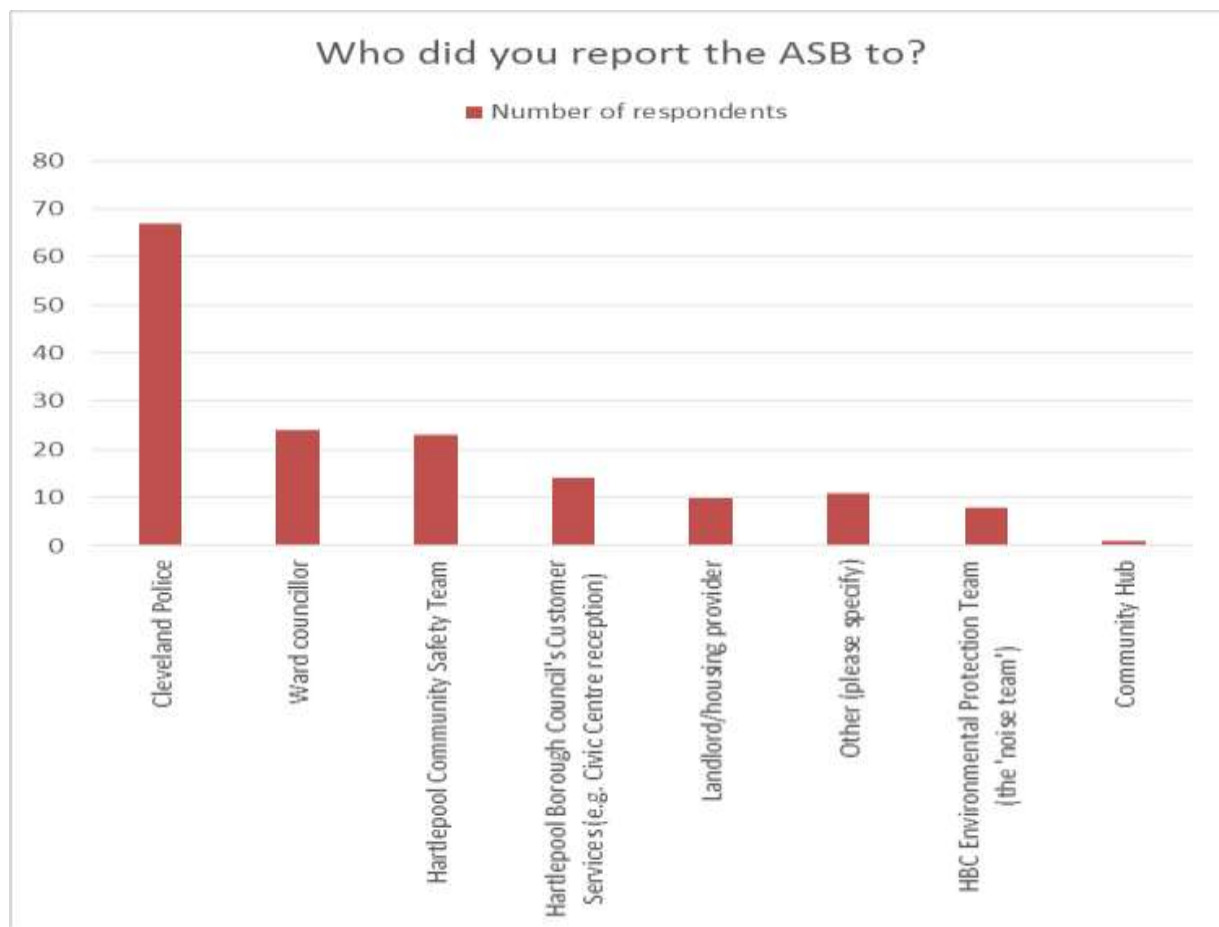
- A total of **261 respondents** selected at least one answer to this question.



- The **top 10 issues** identified (in descending order) were:
  - Rubbish/litter lying around (158 respondents)
  - Groups hanging around in the street or other public place (150 respondents)
  - Rude and abusive behaviour from Children (126 respondents)
  - Begging (111 respondents)
  - Nuisance off-road bikes (109 respondents)
  - Vandalism (106 respondents)
  - People drinking or taking drugs (101 respondents)
  - People dealing drugs (92 respondents)
  - Run down / boarded up properties (84 respondents)
  - Rude and abusive behaviour from Adults (77 respondents)
- Additionally:
  - A hate crime or incident had been experienced by 14 respondents in the past 6 months.
  - 'Something Else' category (33 comments - the two most commonly identified issues were dog fouling and people cycling dangerously.

## 2) Reporting Anti-Social Behaviour

- **260 respondents answered the question about reporting ASB.**
- Only **98 respondents (38%) had reported** the anti-social behaviour they had experienced.

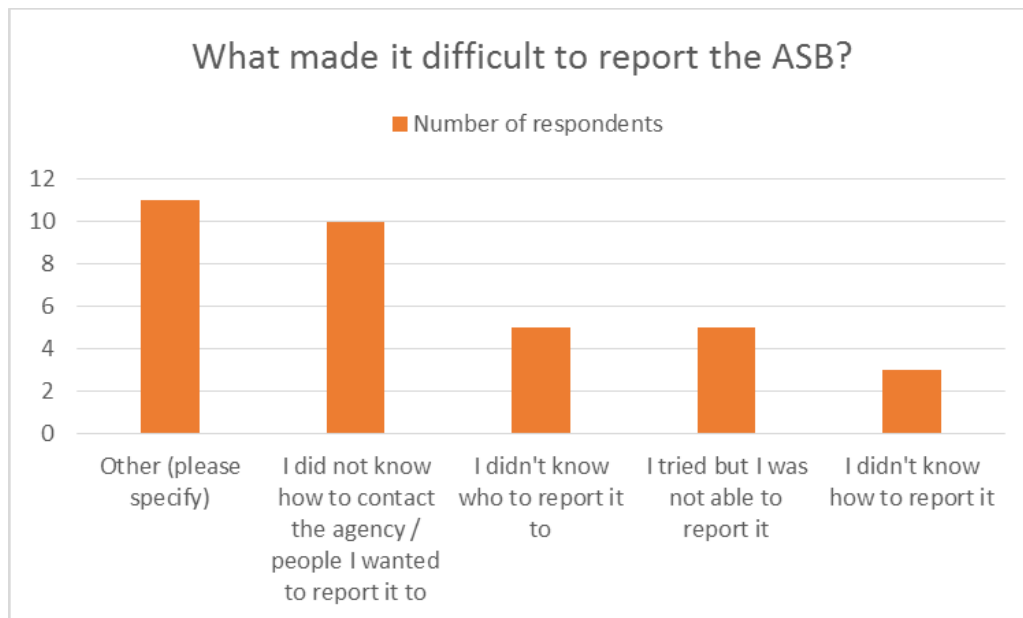


*\*More than one option could be selected.*

- Respondents **most commonly reported anti-social behaviour issues to Cleveland Police** (67 respondents), followed by their local ward Councillor (24 respondents). Twenty two respondents reported the issues to Hartlepool Community Safety Team.
- The **most common method of reporting anti-social behaviour was by telephone.**



- Remaining anonymous did not appear to be a significant factor when making reports, as the majority of respondents (**70 / 77%**) **gave their name when making the report**.
- **69 respondents (76%) who had reported the ASB had found it easy to do so.**
- For those who had not found it easy to report, the **main difficulty was not knowing how to contact the people/agency** they wished to report it to (10 respondents / 43%).



- 'Other' category included:
  - Felt their concerns were not taken seriously (4 respondents)
  - Could not contact anybody out of hours (3 respondents)
  - Took too long to answer the call and the best point of contact was not clear (2 respondents)
- The majority (**31 respondents / 38%**) **got a response the first time** they reported.
- **19 (23%) had report four or more times** before it was responded to.



- When asked if the **levels of anti-social behaviour changed** after they had reported it:
  - Only 5 respondents (5%) said the behaviour stopped,
  - 23 (25%) said it reduced.
  - For the majority of respondents, the behaviour either stayed the same (51 / 56%) or it got worse (13 / 14%).

### 3) Support Offered

Respondents who had reported anti-social behaviour issues were also **asked if they had been offered any support** when they made their report or at any time during the process.

- 13 respondents (15%) indicated that they had been offered support
- 61 (71%) indicated that they had not been offered support
- 12 (14%) could not remember.

Comments made:

- Offered leaflets re dog fouling and villages patrolled and some fines given. No support with litter, but fly-tipping usually removed when reported.
- Most support not needed
- We, residents, would of accepted only help offered but none was made available!

This data can be broken further down as follows.

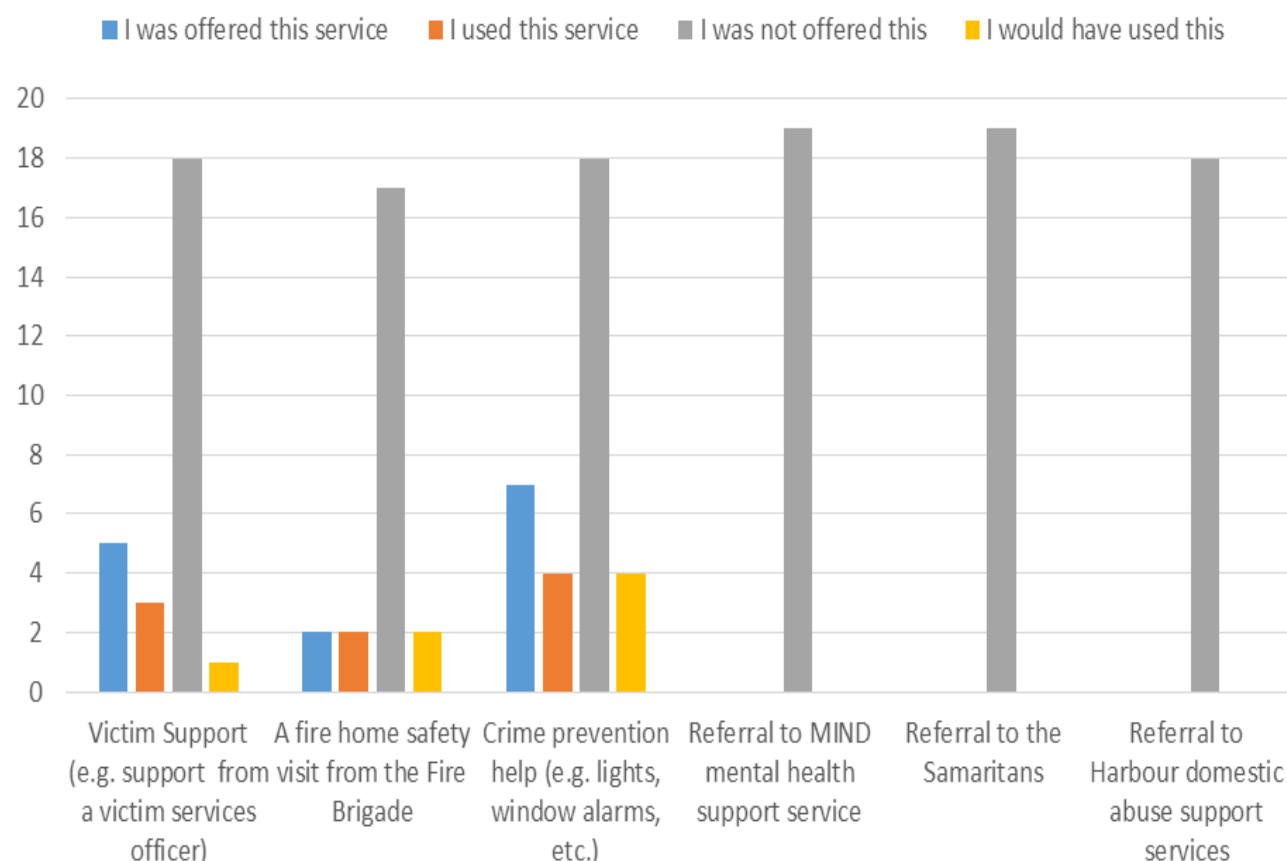
<b>Police</b>	14% (9) of responders had been offered support	73% (47) of responders had not been offered support	13% (8) didn't know / couldn't remember
<b>HCST</b>	14% (3) of responders had been offered support  *The number of referrals from HCST is much higher than these figures would suggest.	73% (16) of responders had not been offered support*	13% (3) didn't know / couldn't remember
<b>Ward Councillors</b>	5% (1) of responders had been offered support	91% (20) of responders had not been offered support	13% (1) didn't know / couldn't remember
<b>Everyone Else</b>	8% (3) of responders had been offered support	81% (29) of responders had not been offered support	11% (4) didn't know / couldn't remember

- Most respondents appeared not to have been offered any support regardless of who they reported the issues to.
- Few respondents said they would have used any of the services if they had been offered.

For those who were offered support, the **forms of support offered** were:

- Victim Support,
- A home safety visit by Cleveland Fire Brigade
- Crime prevention help (such as window alarms and door locks).

## What support were you offered and was it useful?



This data can be broken further down as follows.

(No of residents)	Victim Support	Fire Safety Visit	Crime Prevention
<b>Police</b>	Offered - 4 (Used - 3) Not offered – 15 Would have used if offered – 2	Offered - 2 (Used - 3) Not offered – 12 Would have used if offered - 2	Offered - 6 (Used - 3) Not offered – 14 Would have used if offered - 5
<b>HCST</b>	Offered - 2 (Used - 2) Not offered – 5 Would have used if offered – 1	Offered - 2 (Used - 0) Not offered – 5 Would have used if offered - 0	Offered - 3 (Used - 1) Not offered – 5 Would have used if offered - 0
<b>Ward Councillors</b>	Offered - 0 (Used - 0) Not offered – 6 Would have used if offered – 2	Offered - 0 (Used - 0) Not offered – 6 Would have used if offered - 1	Offered - 1 (Used - 0) Not offered – 5 Would have used if offered - 1
<b>Everyone Else</b>	Offered - 0 (Used - 0) Not offered – 7 Would have used if offered – 2	Offered - 1 (Used - 2) Not offered – 5 Would have used if offered - 1	Offered - 1 (Used - 1) Not offered – 7 Would have used if offered - 1

- Police and HCST were most likely to offer Victim Support, Fire Safety Visit or Crime Prevention.
- No respondents said they were offered MIND or Samaritan's referrals or Harbour.
- No respondents said they were offered a Harbour referral (Harbour's own data suggests that referrals were made).
- Most offers of victim support and crime prevention were offered through the Police.

Respondents who had used a service and found it beneficial were also asked **what made that service useful:**

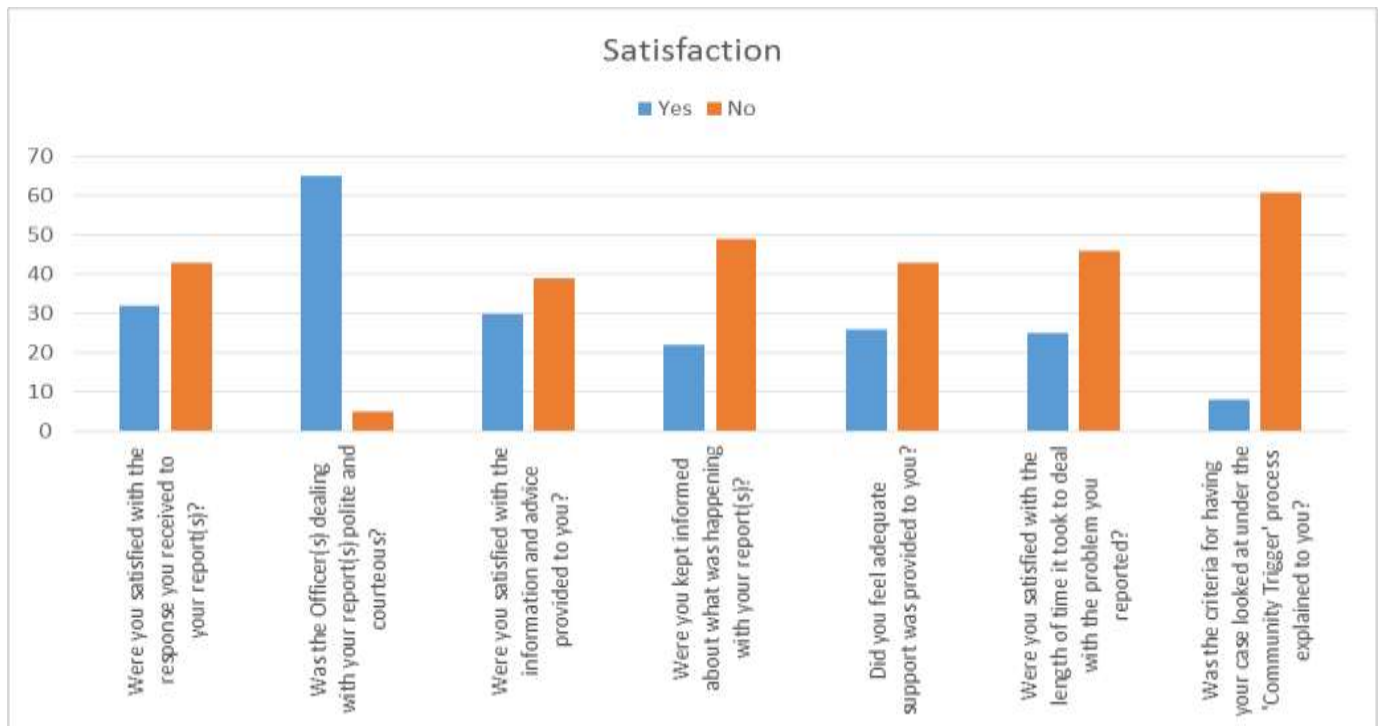
- 3 respondents referenced the fitting of security equipment (extremely useful)
- 2 found Victim Support to be helpful.
- Others felt listened to, that the issue had been dealt with promptly and that the PCSOs had been reassuring.
- The HBC Victim Support Officer was very helpful and kept in regular contact with me.
- The PCSO's who also visited me on a couple of occasions were very informative and reassuring.

Respondents who had used a service but had **not found it to be useful** were asked why this had been the case. There were only three responses:

- *'A sticker for front door that tells callers not to knock if they are 'cold callers' however that doesn't stop them!'*
- *'It is like trying to teach a duck how to suck eggs. Lock my doors, secure my windows. The sheet was actually insulting that you feel you have to tell people that.'*
- *'Lack of funding'*

## 4) Satisfaction

Respondents were asked if they were **satisfied with the service they had received** in a number of key areas.



Results:

- Responders were satisfaction with officers (polite and courteous).
- Overall responders were more dissatisfied than satisfied. The highest levels of dissatisfaction being around:
  - Not being kept informed about what was happening
  - The length of time it took to deal with the problem once reported
- The Community Trigger process was not explained

This data can be broken further down as follows.

	Were you satisfied with the response you received		Was the Officer(s) dealing with your report(s) polite and courteous		Were you satisfied with the information and advice provided		Were you kept informed about what was happening		Did you feel adequate support was provided		Were you satisfied with the length of time it took to deal with the problem		Was the criteria for having your case looked at under the 'Community Trigger' process explained	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
<b>Police</b>	20	35	49	5	20	33	13	41	18	35	14	40	5	47
<b>HCST</b>	8	12	17	3	8	12	7	13	8	12	8	13	3	16
<b>Ward Councillor</b>	4	13	15	2	4	13	2	15	4	13	3	15	0	17
<b>Everyone Else</b>	14	19	24	3	10	18	8	21	9	20	10	20	2	27



Respondents were also asked to **explain why they had been dissatisfied with the service**. 48 comments were received, which referenced the following broad categories:

- It was a long time before something happened/nothing happened (14 responders)
- Not given enough/any information (11 responders - including 4 who said they had not had updates on their case and 6 who had not been informed about the Community Trigger)
- It is a never-ending problem (6 responders)
- Not enough support provided (4 responders)
- Passed around different agencies (2 responders)
- Information/evidence not acted on or lost (2 responders)
- Couldn't speak to an officer (2 responders)
- Other (12 responders)

Comments included:

*'I rang 101 twice about a large group of youth hanging about the shops they said they would get a unit out to solve the issue, no one turned up. This was a serious offence as well (assault).'*

*'Initially we had to report a lot of the arson activities before action was taken. Once this was responded to the support was good. We are still having on going issues regarding drug use and trading in our car park. This has been reported to the police but 'offenders' have moved on by the time the police arrive.'*

*'We knew who one of the youths was but because we didn't see him do anything they can't do anything even though he is known to police.'*

*'No one has 'kept us in the loop' regarding the recent fire or the repeated trespass with quads. We report the fly tipping every time we see it, and the HBC clear it up, however the policy regarding fly tipping and how it's managed needs to change.'*

*'The drug scene in our street is truly shocking, the police don't care, the council don't care! We have to live with them dealing and all the awful people coming up and down the street day and night intimidating us, nearly knocking us out with their push bikes! Knocking on our houses when they have the wrong house! Then they fight among themselves and now a house has got war scum grass written on a window.'*

*'Because of the lack of interest and the rudeness of the ASBU. No help was given to residents. The anti-social behaviour issues were ignored to the detriment of the resident's well-being. The residents gone up!'*

## 5) Overall Satisfaction

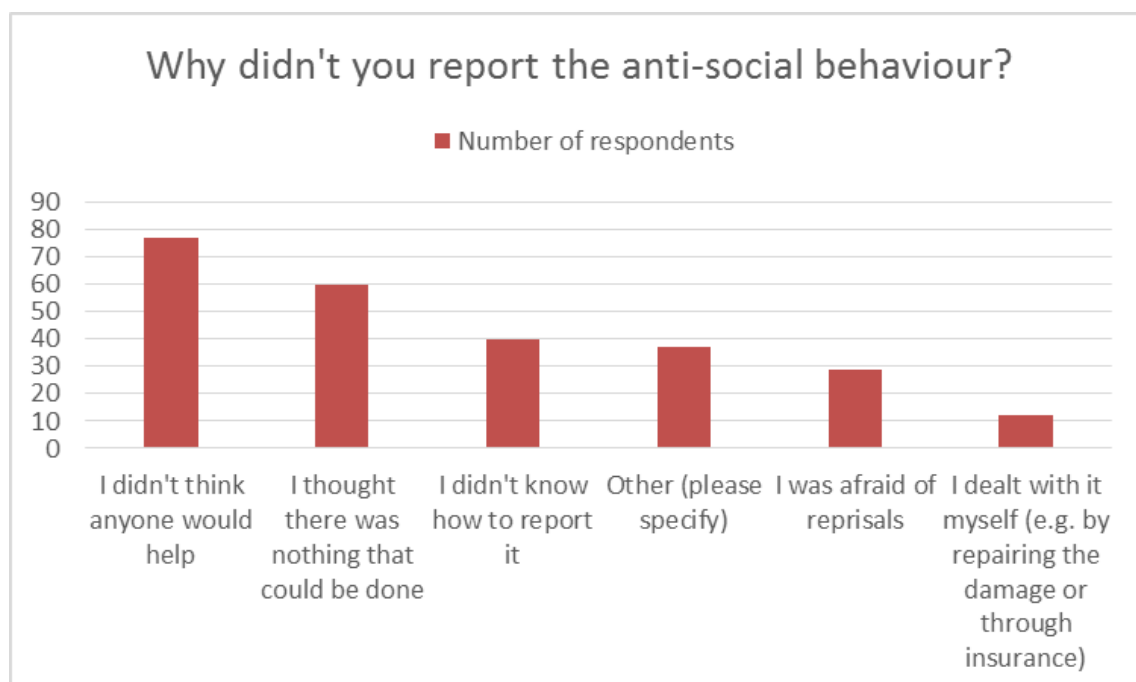
Overall satisfaction with the service received was also low with (35/45%) respondents being dissatisfied/very dissatisfied and (20 / 26%) satisfied/very satisfied.



## 6) Did not report the Anti-Social Behaviour

Those respondents who decided not to report the anti-social behaviour they had experienced were asked why not:

- 162 respondents had not reported the behaviour, compared to 97 who had reported it.
- The two main reasons why respondents had not reported the behaviour was that they *didn't think anyone would help* (77/50%) and that they *thought there was nothing that could be done* (60 / 39%).



- There were 38 comments in the 'Other' category, of which *the lack of a response to a previous report* was the most common theme, mentioned by 10 respondents.
- The fact that *the Police/HBC were already aware of the issue* and a feeling that *agencies did not have enough resource to deal with the issue* were themes mentioned by 4 respondents each.

The full range of broad categories covered by the comments is as follows:

- Lack of a response to a previous report – 10
- Police/HBC already aware of the issue – 4
- Agencies do not enough resource to deal with the issue – 4
- Other - 4
- It wasn't serious enough to warrant reporting – 3
- Someone else reported it – 3
- I couldn't get through to anyone – 3
- I couldn't identify the perpetrators – 2
- It only happened a couple of times - 2

Comments included.

*'As the Police were regularly at the property concerned we assumed they were already aware of the issue'*

*'The council know it is going on in the Burn Valley and has been for years, so what was the point.'*

*'Nothing ever seems to be done - repeated incidents.'*

*'Have reported many times on 101. But still this anti-social behaviour continues I have always given my name and address, but in my area I can't see any improvement there just doesn't seem enough resources to stop the off road bikes.'*

Those who had not reported the behaviour were also asked if there **was anything that would have made it easier for them to have reported it.**

- 101 comments were received.
- The most common theme in the comments (referenced in 40 comments) was that respondents wanted an easier way to report anti-social behaviour as it happens, particularly out of hours.

*'A dedicated number that I could text or a PCSO I could ring'*

*'A quick anonymous method. Not having to talk to someone on the phone in a public place to report it.'*

*'It is difficult to report a moving bike!'*

*'More police. A number to ring that is actually advertised and manned'*

*'An online form / system as the majority of anti-social behaviour I witness is outside of normal office hours.'*

- 7 of these comments asked for a way of reporting anti-social behaviour online through an online portal or app.
- The contact details for reporting need to be better promoted so they knew who to call.

- Some respondents wanted more information on what types of behaviour would be dealt with by the authorities so they knew whether it was worthwhile reporting it.
- 28 comments referred to having more confidence that action would be taken as a result of their call would encourage them to report issues.

*'Knowing that complaints will be dealt with rather than being used as statistics.'*

*'Do not report based on previous experience of reporting.'*

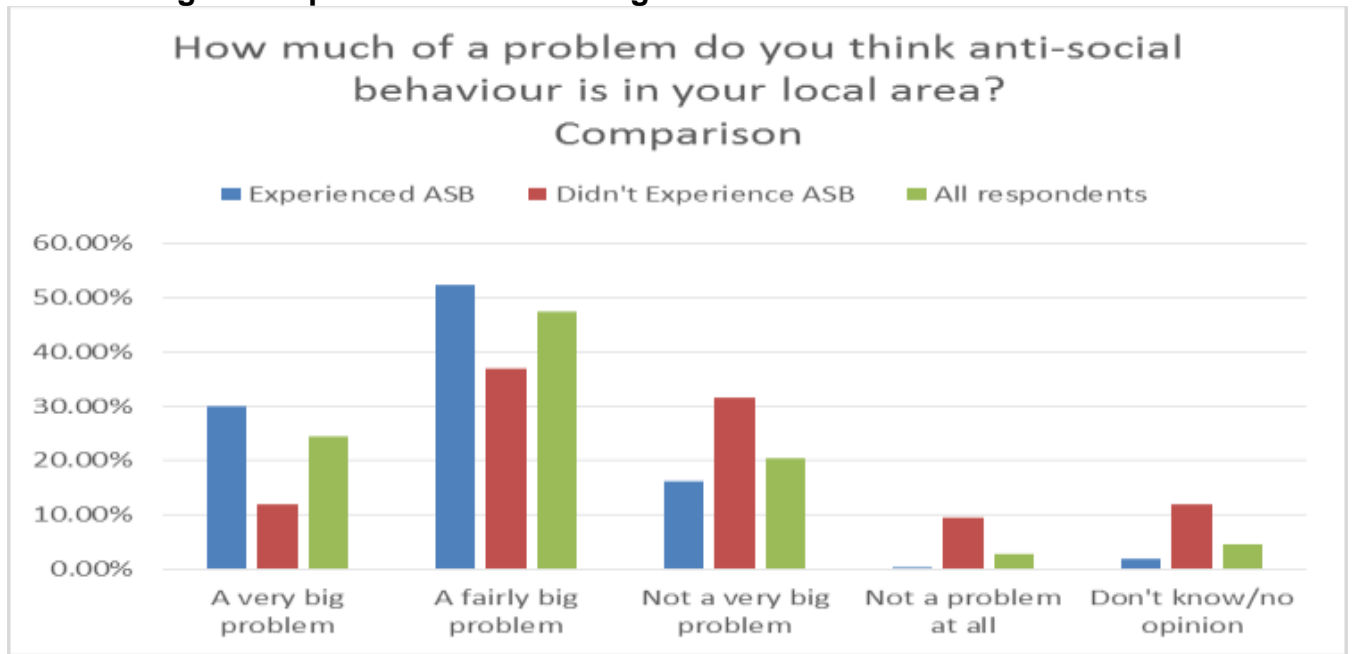
*'Knowing that if reported something would be done/action taken to address the problem at the time of reporting.'*

- The full range of broad categories of the comments is as follows:
  - An easier way to report issues – 40
  - Knowing something would be done about it – 28
  - More officers (police and HBC) out in the community – 17
  - Knowing how to get proof of anti-social behaviour – 4
  - Awareness of what is classed as anti-social behaviour – 3
  - Previous experience of reporting put me off – 2
  - How to report perpetrators who are on the move – 2

## 7) General Perceptions of Anti-Social Behaviour

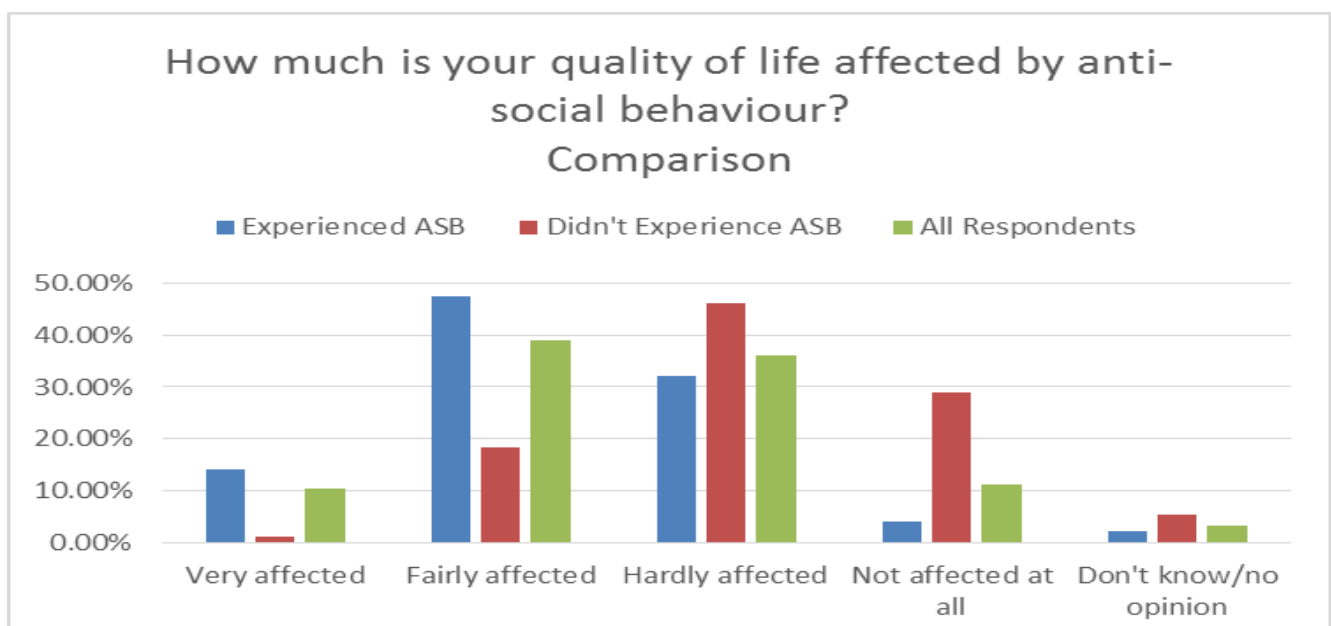
This section was completed by all respondents, whether they had personally experienced anti-social behaviour or not. This analysis looks at the views of all respondents but then compares the experiences of those who had had problems in the past 6 months with those that had not.

- i) Respondents were asked **how big a problem they felt anti-social behaviour was in their local area** and whether they felt that the **scale of the problem had changed compared to 12 months ago**.



- 72% of all respondents felt that there was a *fairly big* or *very big* problem with anti-social behaviour, compared to 23% who felt that there was *not a very big problem* or *not a problem at all*.
- Amongst those respondents who had not personally experienced any problems, over one third of (37%) felt that Hartlepool had a *fairly big* problem with anti-social behaviour.

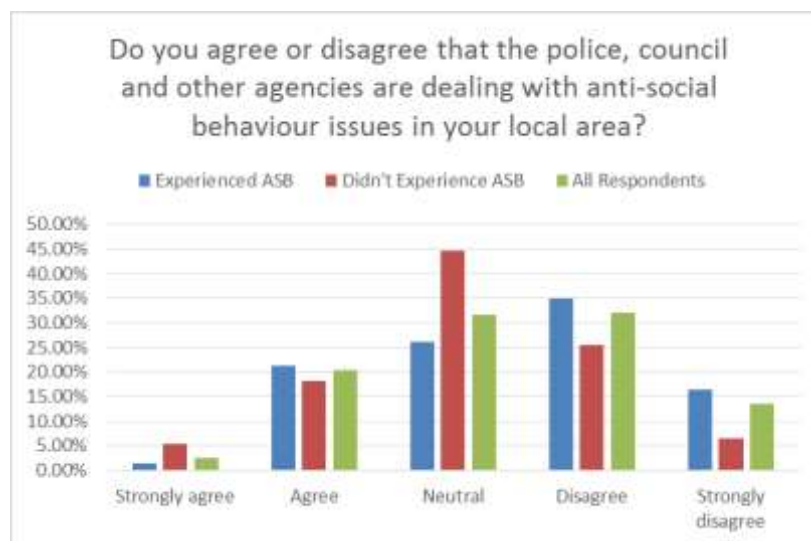
- ii) When asked if they thought the **level of anti-social behaviour had changed compared to 12 months previously**



- 58% of all respondents thought that the problem had got worse, compared to 32% who thought it had not changed and just 6% who thought it had improved.

iii) When asked if their **general quality of life was affected by anti-social behaviour**.

- 50% of all respondents said their life was fairly or very affected by anti-social behaviour; whilst only 36 respondents (11%) said their life was not affected at all.
- Nearly half of all respondents (46%) felt that the Police, Council and other agencies were not dealing with anti-social behaviour in their local area effectively.
- Less than one quarter of all respondents (23%) agreed or strongly agreed that agencies were dealing with the problem.



iv) Respondents who disagreed that agencies were dealing with the problem were asked **what they thought could be done to tackle the problem** (110 comments were received, which can be categorised as follows).

- More staff/greater police presence – 44
- There's nothing that can be done – 35
- Stricter punishments/more effective deterrents – 17
- Agencies taking a proactive/preventative approach – 11
- Take effective action against perpetrators (including parents and landlords) – 5
- More funding for services – 3
- Provide somewhere for teens to go – 3
- Other - 1

Comments included.

*'Rural communities need to trust that when they report ASB, it will be addressed. Fine line between ASB and rural crime. Poachers, lampers regularly seen, quad bikes speed across fields, gates containing livestock are left open. We need police and other agencies to encourage reporting by being proactive in trying to prevent ASB issues and support our communities.'*

*'Identify and address the root causes of these behaviours. Moving people on from where their behaviour is causing a problem is not a long term solution.'*

*'Employ more police officer and council members. Also tighten the law because the people, it could be adults or teenagers should know that anti social behaviour is unacceptable and they should know to respect other people which are vulnerable. It is not fair on innocent people.'*

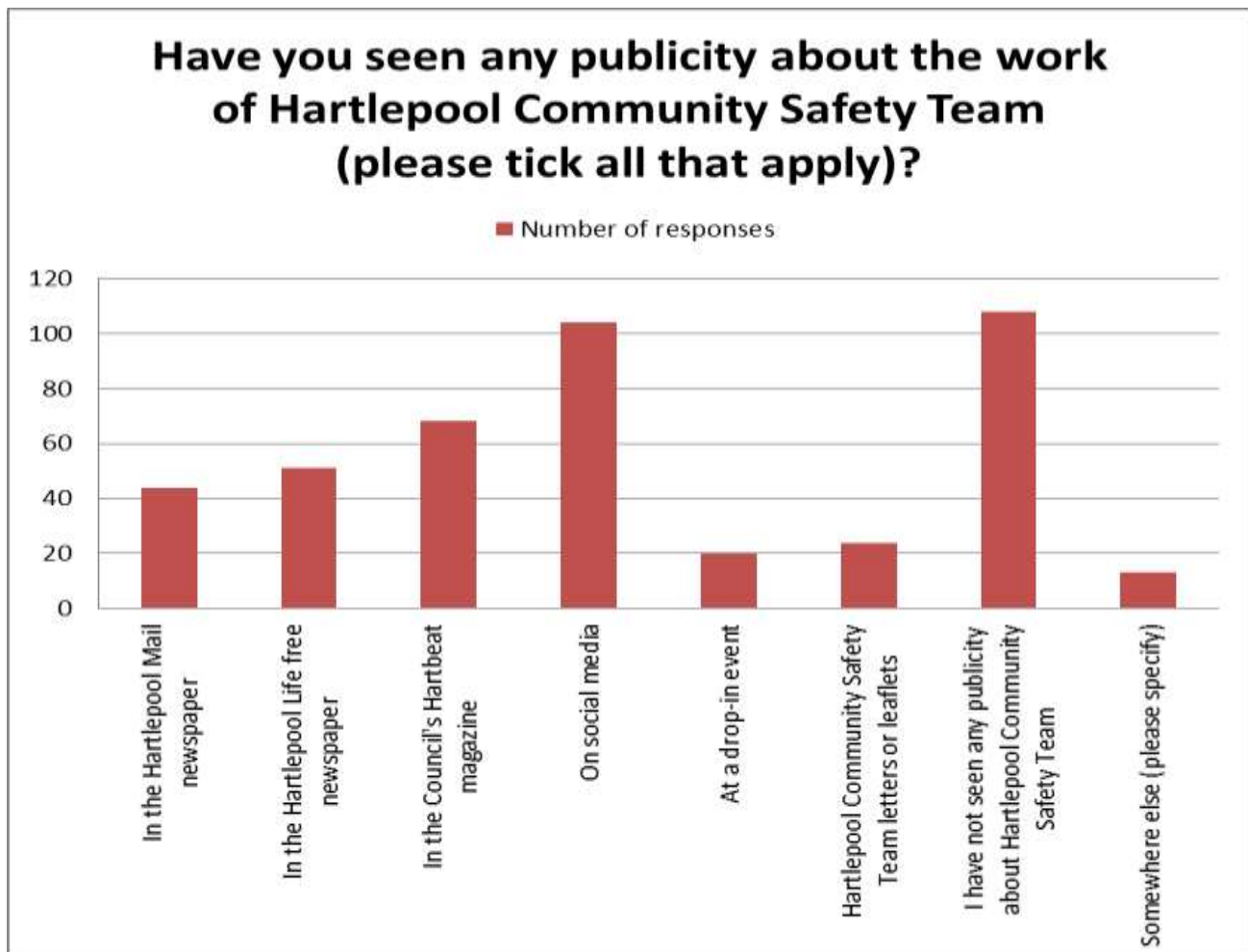
*'HBC and the police need ensure that communications from elements of the public who are willing to work with them are dealt with more efficiently. People need to know that reporting is not a waste of time and that the perpetrators of ASB start to get the appropriate consequences, then we can start to get to make progress.'*

*'No resources, police (beat bobbies). PCSOs are doing police officers jobs so you don't see them on the beat either. The council don't have manpower or money. All are fighting a losing battle and the criminals are fully aware of this.'*

*'Better lighting, visable policing. Consequences for those caught I.e cleaning up the mess they made. Made to pay for damage. Parents held accountable for child actions.'*

*'Make general public more aware of what antisocial behaviour is. Make people more aware of penalties. Deal with known antisocial behaviour that already is known to exist - i.e regular begging in town centre that is ignored.'*

- v) The Council and its partners have tried to improve public confidence in the reporting of anti-social behaviour and the work being done to tackle it through publicity around Hartlepool Community Safety Team. Most respondents had seen some kind of publicity about the team (as shown on the chart below),



## AUDIT AND GOVERNANCE COMMITTEE

9 January 2020



**Report of:** Statutory Scrutiny Manager

**Subject:** INVESTIGATION INTO ANTI-SOCIAL BEHAVIOUR IN  
HARTLEPOOL – FEEDBACK FROM COMMUNITY  
ENGAGEMENT

### 1. PURPOSE OF REPORT

- 1.1 To present to the Committee with feedback from a number of workshops, drop-in sessions and 1:1 discussions.

### 2. BACKGROUND INFORMATION

- 2.1 The Audit and Governance Committee, at its meeting on the 25 July 2019 agreed the scope and terms of reference for its investigation into the provision of preventative mental health services in Hartlepool. As part of this process, it was agreed that community engagement would be undertaken in a number of ways, including workshops, drop-in sessions and 1:1 discussions.

### 3. COMMUNITY ENGAGEMENT UNDERTAKEN

- 3.1 The following events were undertaken during the course of the investigation between 16 October 2019 and 14 November 2019:

(a) Drop-In Sessions at North, Central and South Community Hubs with local residents and with residents at Hartfields Retirement Village, Laurel Gardens Extra Care Home and Albany Court Sheltered Housing;

(b) Workshops were undertaken with:

- representatives from Residents' Groups from across the town;
- representatives of minority communities of interest or heritage at the Asylum Seekers Refuge Group;
- the Children in Care Council and Youth Council and young people involved with West View, Kilmarnock, Wharton Trust and Belle Vue Youth Clubs;

(c) Survey of people within Middleton Grange Shopping Centre developed in conjunction with and undertaken by the Children in Care Council and Youth Council;



- (d) Survey of private landlords as presented at the meeting held on 7 November 2019;
- (e) Interviews with residents who have experienced and reported anti-social behaviour;
- (f) Members attended the following events across Hartlepool:
  - Enforcement Officer Patrol;
  - Day of Action – Oxford Road;
  - Youth Outreach Team Patrol;
  - Community Safety Office visit.
- (g) Forthcoming events for Members to attend:
  - Premise Closure Operation – to be confirmed; and
  - Ride Along Scheme with Cleveland Police – 10 January 2020.

3.2 Attached at **Appendix A** is a summary of the feedback received from the above events along with three anonymised case studies attached at **Appendix B**.

#### **4. RECOMMENDATIONS**

- 4.1 That the Audit and Governance Committee note the results of the community engagement undertaken to inform its investigation.

#### **BACKGROUND PAPERS**

No background papers were used in the preparation of this report.

**Contact Officer:-** Joan Stevens – Statutory Scrutiny Manager  
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Hartlepool Borough Council  
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Email: joan.stevens@hartlepool.gov.uk

COMMUNITY ENGAGEMENT – ANTI-SOCIAL BEHAVIOUR IN HARTLEPOOL – 16 OCTOBER – 14 NOVEMBER				
Type of Incident	Affects	Outcome	Agencies Involved	Suggested Deterrents/Improvements
Groups of youths hanging around shops, throwing eggs, playing chicken on roads		Dispersal Orders put in place	Integrated Community Safety Team and Police – good responses and communication.	Parents to take responsibility for children’s behaviour; More activities for young people in the school holidays; Utilise CCTV both professional and personal.
Groups of youths in local area threatening children and damaging cars	Fear, loss of freedom for victims, victims punished by keeping children in school until trouble passed.	Unresolved.	Victim Support – excellent response and support provided; Police – told if not threat of physical violence nothing that can be done.	Parents to take responsibility for children’s behaviour; Better publicity of services available for victims; Different approaches by different police officers; Seasonal initiatives to be promoted; Communication between residents and youths to show impact of behaviour.
Groups of youths congregating in play areas		Unresolved.	Police	CCTV in play areas; More Police and CST resources in area Residents informed where action has been taken; Fines for parents of youths instigating anti-social behaviour; Promotion of initiatives and activities for young people.

Type of Incident	Affects	Outcome	Agencies Involved	Suggested Deterrents/Improvements
Individuals not identified but causing anti-social behaviour		Unresolved.	Integrated Community Safety Team; Police (told wasting their time if not an emergency).	Follow up to victims on any actions undertaken.
Fly-tipping and drug use around garages owned by Thirteen Housing.		Unresolved.	Police via 101;	More visibility of Police Community Support Officers in local area
Groups of youths playing football day and night, intimidating behaviour of people in the street, causing damage to cars and tormenting dogs.	Residents feel unsafe to go out and causes distress to residents and their children.	Unresolved.	Not reported.	Remove trees as used as football goals and hide the youths; more promotion of activities for youths; amnesty boxes to be provided for reporting incidents of anti-social behaviour.
Groups of youths hanging round shops, egging windows, urinating in the street, dog fouling.	Children feel unsafe to go outside, cost of 101 calls and poor experiences of outcomes deters calls.	Unresolved.	Police and ASB unit over a number of years.	Provision of good role models, education, close alleyways, issue warning to tenants displaying this kind of behaviour, multi-agency meetings.
Threatening physical violence, damage to cars by large groups of youths	Fear	Reported but not happy with outcome.	Police	More accessibility to services and help; should be directed to appropriate help if not 999 issue; incidents should be viewed as proper crimes and responded to.
Abuse of vacant buildings; groups of youths; urinating/defecating in public, littering and fly-tipping.	Fear	Reported but poor response time and human waste left unremoved and landlords not dealing with issues on vacant land.	Police	More PCSOs, single point of contact needed, referrals to appropriate agencies, anti-social behaviour should be dealt with as a priority as it ruins people lives.

Type of Incident	Affects	Outcome	Agencies Involved	Suggested Deterrents/Improvements
Noise, fighting and urinating in the street.	Children suffering from witnessing anti-social behaviour; Families not feeling safe in their local area.	Reported to police and the issue is disbursed but they return.	Police	Awareness needs raising of the different ways incidents of anti-social behaviour can be reported; more Police/CPSOs visible in the area.
Bad behaviour; graffiti; dog fouling; theft and vandalism; teenagers hanging around the streets; noisy neighbours; fighting; deliberate fires; behaviour affected by drugs and alcohol; egging windows.	Downward spiral effect of behaviour from parents to their children; People feel scared and upset when the victim/witness of anti-social behaviour.	Unresolved.	Community Safety Team and Police.	<p>Better relationships between community police and residents/young people; education of children and parents on the effects of anti-social behaviour; more affordable/subsidised activities for young people; more visible community policing; a code for youth workers to use when reporting incidents to indicate it is a call from a professional/youth worker as opposed to a local resident.</p> <p>Better resourced support services such as MINDS, HANDS and drug and alcohol support for families.</p>
Off and on road quad and trial bikes.		Resolved short term but the problem continues.	Police and Hartlepool Operation Endurance Officer.	Problems ringing 101 as information is not always passed onto the relevant officers; public confidence in HBC and the police in their ability to organise effective strategies to deal

Type of Incident	Affects	Outcome	Agencies Involved	Suggested Deterrents/Improvements
				with the culprits needs to be restored; a full scale review of communication within the Police both internally and to those who endeavour to assist them; along with a realistic increase in the police presence and availability to deploy at the time incidents of anti-social behaviour are reported.
Younger children playing in the area and entering the grounds of accommodation; teenagers riding bikes around the grounds; knocking on residents' windows and tormenting behaviour; vandalism and harassment, dogs parking and disturbing residents.	Residents feel unsettled when they are disturbed by the young people knocking on their windows.	Unresolved.	Police	Reinstate to full working order the local cctv in the area and around the building; develop better ways of older people to communicate/report incidents.

Type of Incident	Affects	Outcome	Agencies Involved	Suggested Deterrents/Improvements
<p>Middleton Grange Shopping Centre:</p> <p>Groups of youths on bikes; Vulgar language; Use of illegal substances; Threatening behaviour; Gangs of youths; Beggars; Subsequent behaviour from drug and alcohol mis-use.</p>	<p>Customers feel unsafe; had to do CPR on 3 drug users in the toilets within the shopping centre in the last year; risk to safety and well-being of staff.</p>		<p>Need better way of communicating local integrated community safety team and local police for quick response. Not always able to get through to 101 but logged 295 instances of ASB since January 2019.</p> <p>Shopping centre to be included when areas covered by Orders.</p> <p>Subscription to North East Regional Crime Partnership to share information about individuals or instances;</p> <p>Town-wide radio network;</p> <p>Reintroduce weekly briefings with Police;</p> <p>Single point of contact for intelligence;</p> <p>Raise awareness of the impact of anti-social behaviour in schools, shopping centre delighted to be involved;</p> <p>More information from the drugs and alcohol services provision.</p>	<p>More liaison between shopping centre, local authority and police in relation to intelligence sharing;</p> <p>Problems getting through to 101;</p> <p>Support for dealing with issues caused by drugs and alcohol misuse.</p>

Type of Incident	Affects	Outcome	Agencies Involved	Suggested Deterrents/Improvements
<p>Belle Vue Outreach Team:</p> <p>Fighting in the streets, intimidating behaviour, harassment of people in their own homes, knife crime, motorcycles/scooters/quad bikes ridden around the local area, deliberate fires and housing becoming known for drug dealing with visitors and disturbances all hours of the day and night.</p> <p>In addition local shops were selling equipment associated with drug dealing such as scales, grinders and small sealable plastic bags.</p>	Children suffering from witnessing anti-social behaviour; families feel vulnerable and not safe in the area where they live; lack of community feel to the area;	Prosecutions of behaviour orders put in place; banning perpetrators from local youth centre.	Community Safety Team and Police.	Raise awareness of different ways anti-social behaviour can be reported; greater presence of Police and CPSOs in the local area; more prevention activities and interventions to be put in place; increased support to those at risk of becoming involved in anti-social behaviour.
<p>Residents' Groups:</p> <p>Drug dealing; deliberate fires; fly-tipping, noise nuisance; teenagers hanging around parks; social media bullying; offensive and bad language; poachers, littering, motorbikes and quad bikes and discarded needles.</p>	Residents are frightened to report incidents of anti-social behaviour for fear of reprisals; frustration when no action taken when incidents are reported.	Unresolved.	Police	<p>More youth activities and better promotion; greater presence of Police and PCSOs within the community; better street lighting; sponsorship of members of clubs and groups for young people from deprived communities; more diversionary activities.</p> <p>More promotion of Neighbourhood Watch and Cleveland Connected is needed. Residents need to feel more confident that reporting is being acted upon. Residents Groups to be</p>

				provided with information on 'Nottingham Knockers'.
Type of Incident	Affects	Outcome	Agencies Involved	Suggested Deterrents/Improvements
Taxi Drivers Association:  Vandalism of taxis by groups of teenagers around the town centre area; stones and bricks	Damage to vehicles which can escalate into physical violence.	Unresolved.	Police	More meaningful consequences of behaviour; higher profile police presence; better resourced diversionary activities;
thrown from Hart Lane Cemetery; cars racing along Victoria Road on a night; revellers being evicted from licensed premises then looking for taxis home; fly-tipping; begging; intimidating behaviour.				awareness raising of the impact of anti-social behaviour. It was suggested that parking a police van in Victoria Road on weekend nights might act as a deterrent during peak times of the night time economy. Cost of 101 stops people ringing.
Children in Care Council/Youth Council:  Actions that make people feel threatened; knife crime; littering; pollution; fighting; social media bullying; foul language; domestic abuse; negative perceptions and lack of respect of Police; racism.	Teenagers feel under peer pressure to be part of a group; ruins people's lives; pollutes the environment; young people are all perceived to be causing anti-social behaviour, especially if wearing hoodies.	Unresolved.		More safeguarding and education in and around schools; raising awareness of the impact of anti-social behaviour on people and their families; safeguarding for young people on social media; increased Police with visits to schools; young people to be involved in developing ways of communicating with other young people; development of more work within the local community for young people through youth groups etc.



**AUDIT AND GOVERNANCE COMMITTEE – ANTI-SOCIAL BEHAVIOUR  
INVESTIGATION**

**CASE STUDY**

Present: Cllrs Hamilton and Joan Stevens

A resident lives in an area that has declined significantly over the previous 10 years. The incidents of drug dealing in the streets is commonplace and has become the 'norm'. A nearby house was being used by drug users who were becoming increasingly intimidating and were wrecking the house by taking out pipes etc to trade in as scrap. A call was made to 101 and the resident was asked if they would go and speak to the resident and 'take it into their own hands'. The responded that they feared for their own safety and would not do that. The information was forwarded to the Integrated Community Safety Team who commenced the process to have the drug using tenants evicted. The property was subsequently purchased by a landlord and the tenants were evicted, the house remains boarded up.

A potential robbery was reported at the rear of the properties in the street. The Police arrived and drove down the front street and left without any further action.

There is no visible PCSO or Police presence on a night or on weekends and only occasionally during the week. The area has declined since regular neighbourhood patrols were undertaken.

Residents in another property in the street were using and dealing drugs with regular visitors to the property at all hours to use and purchase drugs. This was reported to the Community Safety Team who dealt with the issues and arranged the eviction of the residents.

In the opinion of the resident, one of the main reasons for the decline in the local area is that a substantial number of properties in the area have been bought by landlords with unsuitable tenants being moved in and in a number of cases evicted with the properties being boarded up. The landlords appear to take no responsibility for their properties or their tenants as long as the rent cheque is received regularly. The decline in the area has significantly reduced the value of properties in the area which means that residents are not able to sell their properties and move out of the area.

**AUDIT AND GOVERNANCE COMMITTEE – ANTI-SOCIAL BEHAVIOUR  
INVESTIGATION**

**CASE STUDY**

13.12.19  
(AA notes)

Present: Cllrs Hamilton

A resident lived in an area that was deteriorating rapidly due to drug use/dealing in the local properties and in the streets. Additionally and in view of this, there was a high number of other incidents in the area, including noise disturbance, domestic violence, threatening behaviour and serious assaults.

The outcomes of the initially calls to the Police, resulted in a referral to the Noise Team at HBC. As a result of this, noise equipment was installed but was found to be faulty and therefore did not record so further action could not be instigated. After further reports to the Police over a number of weeks, these issues were reported to the Community Safety Team (CST).

An officer from the CST contacted the landlord of the property where the disturbance was being caused and it improved in the short term and a Community Protection Order was issued. However, the incidents did begin again. The main perpetrator of the disturbances was eventually evicted and re-housed elsewhere and prosecutions against them were ongoing. Unfortunately the perpetrator has since passed away.

The general feeling with residents in this area, is that drugs and alcohol abuse is the main route of all the problems with landlords not monitoring the behaviour of their tenants. As the majority of properties in this area are privately rented, there is a somewhat transient community that have no feeling of pride of community in the local area that they live in. A lot of the residents in the area have a high level of fear of crime and do not feel safe due to the drug/alcohol use/abuse and associated threatening behaviour in the streets.

The resident did feel that there was some confusion initially about who should be able to deal with the issue, should it be the Police, local Noise Team or Community Safety Team. On this occasion, the support provided by the Community Safety Team was second to none including advice and guidance as well as action. The area does feel safer when there is a visible regular police presence which there has been on occasion when serious incidents have taken place.

## Case Study – ASB by Irene Cross, HBC Refugee Integration Officer

This story relates to multi agency intervention concerning a young Mum and her 2 year old son originally from Iraq who were asylum seekers and lived in a ground floor flat in the central area of Hartlepool.

Mum made herself known to me when she attended the local drop in at St Joseph's Church Hall (the drop in is held every week from 12 noon – 1.30 pm) and explained her circumstances, she was alone with no support and was reluctant to mix with others especially from her own country due to probing questions around why she was alone with a child and no husband.

Mum was isolated and quite vulnerable, she had limited English language and found it quite difficult to report problems to other services/agencies. With help through an interpreter I established that she was also suffering ongoing problems with ASB at her property which was leaving her and her son very frightened. Mum explained this was happening most evenings and involved banging on the front door and windows, shouting through the letter box, groups of young people gathering at the front of her property. This had led to her and her son sleeping on the floor of the living room as this was where she felt safest and also she was away from the damp. Although she said that she had informed her landlord of the problems, which also included damp in the bedroom which had led to her son's health problems. Mum felt the only solution was to move and as an asylum seeker this is not easy to do, the housing provider are required to put together a report for the Home Office and in many cases when moves are granted families can be moved anywhere in the UK.

I liaised with colleagues within the Community Safety Team and the Crime Prevention Officer installed a CCTV camera at the property to help monitor the activity and informed the Police who agreed to implement additional police patrols in the area which would hopefully lead to identifying the perpetrators.

Over the following weeks ASB problems continued and the housing provider failed to carry out the necessary repairs in the bedroom. This was beginning to have an impact on Mum's health. This led to me arrange a multi-agency visit with Police, Anti-Social Behaviour Officer, Crime Prevention Officer and Health Visitor and I also booked an interpreter to be present during the visit. During the visit I contacted the housing provider to explain we were there and the reasons why the visit was taking place. The housing provider confirmed they were not aware of any problems even though Mum insisted she had informed the housing support worker.

Through working together and looking at the best solution for the family, within 2 weeks Mum and her son were relocated to Wallsend. Upon the move Mum texted to say thank you.

## AUDIT AND GOVERNANCE COMMITTEE

9 January 2020



**Report of:** Statutory Scrutiny Manager

**Subject:** INDEPENDENT COMPLAINTS ADVOCACY SERVICE -  
UPDATE

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### 1. PURPOSE OF REPORT

- 1.1 To inform Members that the Contracts Manager from the North East NHS Independent Complaints Advocacy Service (ICA) will be in attendance at today's meeting to provide the Committee with a presentation which will include an update in relation to the level and type of complaints from Hartlepool residents being dealt with by the service.

### 2. BACKGROUND INFORMATION

- 2.1 The Audit and Governance Committee, at its meeting on the 14 March 2018, was introduced to the work of the ICA, as a provider of free, confidential and independent advocacy support to people wishing to raise a complaint about their NHS funded treatment or care.
- 2.2 The Committee noted with interest the level and types of complaints dealt with by the ICA and welcomed the benefits of a support service of this type and requested that an update be provided on a quarterly basis.
- 2.3 The Committee received updates from the ICA in October 2018 and February 2019 and requested that the next update include a breakdown of the number of complaints between patients and families along with the outcome achieved.

### 3. RECOMMENDATIONS

- 3.1 The Audit and Governance Committee note the update and seek clarification on any issues, where required.

### 4. BACKGROUND PAPERS

No background papers were used in the preparation of this report.

**Contact Officer:-** Joan Stevens – Statutory Scrutiny Manager  
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# HEALTH AND WELLBEING BOARD

## MINUTES AND DECISION RECORD

23 September 2019

The meeting commenced at 10 am in the Civic Centre, Hartlepool

Present:

Councillor Moore, Leader of Council (In the Chair)

Prescribed Members:

Elected Members, Hartlepool Borough Council – Councillors Buchan, Thomas and Councillor Cartwright (as substitute for Councillor Ward)

Representatives of Hartlepool and Stockton-on-Tees Clinical Commissioning Group – Michael Houghton (as substitute for Nicola Bailey)

Director of Public Health, Hartlepool Borough Council – Dr Pat Riordan

Director of Children's and Joint Commissioning Services, Hartlepool Borough Council – Sally Robinson

Director of Adult and Community Based Services, Hartlepool Borough Council, Jill Harrison

Representatives of Healthwatch - Margaret Wrenn and Ruby Marshall

Other Members:

Assistant Director of Joint Commissioning, Hartlepool Borough Council – Danielle Swainston

Representative of the NHS England – Dr Tim Butler

Representative of Cleveland Police – T/ACC Lisa Orchard

Representative of North Tees and Hartlepool NHS Trust –Deepak Dwarakanath

Representative of Hartlepool Voluntary and Community Sector – Karen Gibson (as substitute for Tracy Woodall)

Representative of Headteachers – Julie Thomas

Statutory Scrutiny Representative, Hartlepool Borough Council - Councillor Hall

Also in attendance:-

Jo Heaney, Head of Commissioning and Strategy, Hartlepool and Stockton-on-Tees Clinical Commissioning Group

Caroline Robinson, Joseph Rowntree Trust

Christine Fewster and Paula Fewster, Hartlepool Carers.

Hartlepool Borough Council Officers:

Joan Stevens, Statutory Scrutiny Manager

Amanda Whitaker, Democratic Services Team

## 12. Apologies for Absence

Elected Member, Hartlepool Borough Council – Councillor Ward  
Representatives of Hartlepool and Stockton-on-Tees Clinical Commissioning Group – Dr Nick Timlin and Nicola Bailey  
Director of Regeneration and Neighbourhoods, Hartlepool Borough Council - Denise McGuckin  
Representative of Hartlepool Voluntary and Community Sector – Tracy Woodall  
Representative of Tees, Esk and Wear Valley NHS Trust – Dominic Gardner

## 13. Declarations of interest by Members

The following declarations were made at the meeting:-

Councillor Cartwright – as an employee of Home Group  
Councillor Thomas – as an employee of Healthwatch.

## 14. Minutes

The minutes of the meeting of the Board held on 1 July were confirmed.

## 15. All Age Carers Strategy *(Director of Children's and Joint Commissioning Services and Director of Adults and Community Based Services)*

A report had been presented to the Health and Wellbeing Board on 4<sup>th</sup> March 2019 setting out the development of a Carers Strategy. The priorities had been developed through consultation with young carers and carers. Board Members were advised that further consultation had taken place with the Council's Children's Services Committee and the Adults and Community Based Services Committee. Feedback from both Committees was summarised in the report and all feedback from the Committees had been incorporated into the final strategy appended to the report.

Board Members welcomed the Strategy as the basis for an excellent way forward in developing support for carers and paid tribute to the service provided by Hartlepool Carers. The Chief Executive Officer, Hartlepool Carers, was in attendance at the meeting and advised Board Members of a bid which the organisation had submitted recently to develop the carer respite service, in recognition of the importance of the service which had been highlighted in the meeting by Board Members. In concluding the debate, the Chair expressed appreciation of all those who had been involved in the Strategy and reiterated the commitment required of all Board Members.

**Decision**

- (i) The Board approved the All Age Carers Strategy.
- (ii) Board Members committed to supporting the development of an action plan in order to implement the strategy.

**16. Clinical Commissioning Group Annual Report 2018/19**

*(Director of Commissioning, Strategy and Delivery (Locality Commissioning Director, Hartlepool and Stockton-on-Tees Clinical Commissioning Group and Darlington Clinical Commissioning Group)*

The Annual Report, which had been appended to the report to the Board, provided an overview of the CCG's purpose and main activities during 2018/19. It set out the challenges experienced during the year along with the organisation's achievements and the financial position within the organisation.

The salient issues included in the report were highlighted at the meeting by the Director of Commissioning, Strategy and Delivery. The Board noted the collaborative working approach implemented during 2018/19 with the appointment of a single Accountable Officer and examples of collaborative projects to improve the commissioning and provision of services.

The Board was advised that the CCG's financial position had been maintained during the year reflecting the strong financial management within the organisation. The report highlighted, however, the challenging NHS financial climate and that CCGs are facing significant financial pressures. With regards to performance against national targets, the CCG generally performed well. Areas for improvement were identified and the CCG continued to work with its providers to understand the challenges faced and identify ways to improve compliance against these important targets to benefit local people.

The Director of Commissioning, Strategy and Delivery responded to clarification sought from Board Members arising from the report. The Director acknowledged issues which had been raised with Healthwatch regarding lack of progress in screening adults with learning difficulties and assured the Board that the CCG was working with providers to identify improvements to services. The Director agreed to a request for a report to be submitted to a future meeting of the Board in relation to progress on that particular issue.

The Director undertook also to review the recruitment process in relation to employment of community health ambassadors, to clarify the meaning of the acronym 'WGA' and to circulate the action plan to address issues relating to ambulance response times. Following concerns regarding engagement with Hartlepool based organisations, the Director undertook to consider the issues highlighted following the meeting.

## Decision

The Board noted the content of the Annual Report.

### 17. **SEND (Special Educational Needs and Disabilities) Improvement Plan Progress** *(Director of Children's and Joint)*

The Board was advised of progress on the local areas SEND Improvement Plan. Hartlepool had been inspected in October 2016 and had been found to have four areas of weaknesses. Subsequently the area had been revisited in January 2019 to review progress in each of the areas of weakness. Inspectors had felt that the area had not made sufficient progress in two of the areas as outlined in the report.

The improvement plan had been submitted to the Department for Education and was appended to the report. The plan has been updated up to reflect the position at the end of August 2019 and would be updated following the next SEND operational group against the end of September milestones. This would be reported to the SEND governance group meeting on 8<sup>th</sup> October and then to the next meeting of the Health and Wellbeing Board.

The Board was assured that actions within the plan had been reviewed and the report detailed where milestones had not been met together with details of remedial actions which were being undertaken.

In response to frustrations highlighted at the meeting in relation to effective communication between Partners, the Head of Commissioning and Strategy (HAST CCG) advised that a designated clinical officer was in post to act as a conduit and encouraged Board Members to advise her, outside of the meeting, of any specific examples of concern.

## Decision

- (i) The Board noted the progress of the SEND Improvement Plan and the remedial actions being taken where milestones had not been met/changed.
- (ii) Members of the Board reflected on their duties for children under the Children and Families Act 2014 to ensure that children with SEND are supported as appropriate.



## **18. Improving Outcomes for Children and Young People (Integrated Working)** *(Hartlepool and Stockton-on-Tees Clinical Commissioning Group)*

It was reported that in January 2019 an event had been hosted by the CCG, and facilitated by the Advisory Board to explore both the potential and appetite for working systematically across the children and young people's agenda. The areas that had been identified for initial further exploration were emotional health and wellbeing and SEND. A steering group that was representative of all partners working within the children and young people's system was established following this event in order to take the work forward.

The Board was advised that a Compact Agreement, which was appended to the report, had been jointly developed which outlined the strategic goals, principles, behaviors, commitments, risks and sustainability which the group would work to when working as an integrated system. The Compact had been reviewed by each organisation separately and supported as a way of working for the children and young peoples' agenda. The series of workshops had concluded with outputs being presented to the integrated group for review and agreement around actions to be taken forward. These recommendations were presented to the Board as a separate agenda item. The Board was requested to act in a governance capacity as all partners were represented and it provided an obvious place for escalation and resolution if required.

A Board Member reiterated concerns expressed earlier in the meeting regarding engagement with Hartlepool based organisations with particular reference to the potential Stockton focus of Catalyst. Concerns were expressed also by another Board Member regarding funding which had been allocated to the Hartlepool Voluntary Development Agency (HVDA) and whether that funding had come back to Hartlepool when the HVDA had closed. The Head of Commissioning and Strategy undertook to clarify the situation with regard to the funding following the meeting.

### **Decision**

- (i) The Board endorsed the agreement set out within the compact and supported the principles as the way of working for all children and young people's development/commissioning when there is more than one strategic partner involved.
- (ii) The Board agreed to provide oversight/governance to the priority group and act as a point of escalation/resolution where required.

## **19. Children and Young People's Mental Health – Local Transformation Plan** *(Hartlepool and Stockton-on-Tees Clinical Commissioning Group and Director of Children's and Joint Commissioning Services)*

In February 2019, the Board had been provided with an updated Future in Mind Local Transformation Plan for Children's & Young People's Mental Health provision. A series of three workshops had been held during June and July 2019 with a group of staff from across a number of agencies in Hartlepool and Stockton on Tees. The report provided the Board with an update on the outcome of the workshops. The Board was advised that outputs from the workshops had identified 5 main areas of work which needed further defining and exploration through task & finish groups. It was proposed that Task & Finish groups are established within each identified area and plans further developed.

Board Members were advised that although high level priorities had been set as part of the Local Transformation plan which the Board had previously agreed, the Board was requested to agree that the available funding of £329,000 available for the financial year 19/20 be utilised as proposed in the report.

It was noted that in order to support the Children & Young People's mental health agenda, there had been a number of developments which would support and work alongside the proposals outlined in the report. Those developments, since the last report to the Board in February 2019, were outlined in the report.

One of the developments highlighted in the report was the purchase of an online digital platform, Kooth. Whilst the digital platform was welcomed by the Council's Director of Children's and Joint Commissioning Services, the Director highlighted the need for the platform to be rolled out to schools and young people in a consistent and safe manner. An assurance was provided by the Clinical Commissioning Group's Head of Commissioning and Strategy.

A member of the public in attendance at the meeting addressed the Board and informed Board Members of a number of issues and concerns. The Chair highlighted that the issues raised did not relate to the agenda item and advised that he would meet after the meeting to discuss the concerns raised.

### **Decision**

- (i) Board Members noted the progress of the children and young people's mental health local transformation plan.
- (iii) The Board approved the overarching proposals for the available funding and agreed the associated work to be taken forward.

Prior to concluding the meeting, the Chair reminded Board Members of a Workshop organised for 8<sup>th</sup> November 2019.

Meeting concluded at 11.20 a.m.

CHAIR